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URBAN
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The Corporation of the
CITY OF HAMILTON
HAMILTON, ONTARIO

URBAN MUNICIPAL

GOVERNMENT DOCUMENTS

FINANCIAL REPORT

1988

THE CORPORATION OF THE CITY OF HAMILTON

FINANCIAL STATEMENTS

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THE CORPORATION OF THE CITY OF HAMILTON

SIX-YEAR FINANCIAL REVIEW

(all dollar amounts are in thousands of dollars, except per capita figures)		1988	1987	1986
1.	POPULATION at the end of the year	307,160	307,690	307,690
2.	AREA in acres at the end of the year	38,055	38,055	38,055
3.	Employees - continuous full time	2,091	2,071	2,008
	- part time	1,123	1,154	1,130
4.	NUMBER OF HOUSEHOLDS	127,087	125,524	124,091
5.	ASSESSMENT			
	Taxable assessment upon which the year's rates of taxation were raised-			
	Residential and farm	\$530,523	\$518,096	\$511,211
	Commercial and industrial	276,143	273,462	269,112
	Business	127,799	126,228	125,143
	Total	\$934,465	\$917,786	\$905,466
	Per capita	3,042	2,983	2,943
	Commercial and industrial, and business as a percentage of taxable assessment	43.2%	43.5%	43.5%
	Provincial equalization factor	6.96	8.91	10.37
6.	RATES OF TAXATION			
	Residential and farm mill rate			
	for general municipal purposes	87.7568	83.9779	79.3485
	for region or county purposes	73.3187	69.3371	63.5186
	for school board purposes	138.1575	128.3670	111.7193
	Total	299.2330	281.6820	254.5864
	Commercial and industrial mill rate			
	for general municipal purposes	103.2433	98.7975	93.3512
	for region or county purposes	86.2574	81.5731	74.7278
	for school board purposes	162.5382	151.0200	131.4345
	Total	352.0389	331.3906	299.5135
7.	REVENUE FOR GENERAL MUNICIPAL PURPOSES			
	Taxation	\$94,179	\$86,766	\$81,094
	Payments in lieu of taxes	6,162	6,095	5,303
	Ontario grants	16,733	16,075	15,065
	Other grants	294	230	1,605
	Fees and service charges	17,221	15,396	13,863
	Other	14,596	13,919	14,145
	Total	\$149,185	\$138,481	\$131,075
8.	TAX ARREARS - per capita	\$54	\$44	\$44
	- percentage of current levy	4.7%	4.7%	5.3%
9.	EXPENDITURE - general municipal	\$149,444	\$138,909	\$131,207
10.	TRANSFERS TO THE REGION	\$82,870	\$75,274	\$68,253
11.	TRANSFERS TO THE SCHOOL BOARDS	\$149,073	\$133,490	\$115,284
12.	NET LONG-TERM LIABILITIES			
	General municipal activities	\$65,677	\$43,911	\$48,566
	- per capita	\$214	\$143	\$158
	- percentage of taxable assessment	7.0%	4.8%	5.4%
	Municipal enterprises	\$9,096	\$2,275	\$2,529
13.	CHARGES FOR NET LONG-TERM LIABILITIES			
	General municipal activities	\$10,813	\$10,354	\$10,955
	- per capita	\$35	\$34	\$36
	- as a mill rate	11.57	11.28	12.10
14.	CAPITAL FINANCING DURING THE YEAR			
	Contributions from own funds	\$11,165	\$10,928	\$13,881
	Long-term liabilities incurred	24,551	418	202
	Ontario grants	3,494	2,894	4,306
	Other	959	153	240
	Total	\$40,169	\$14,393	\$18,629
15.	CAPITAL EXPENDITURE DURING THE YEAR	\$21,368	\$26,857	\$17,959
16.	ACCUMULATED NET REVENUE	\$2,123	\$2,104	\$2,388
17.	RESERVES AND RESERVE FUNDS	\$74,417	\$63,284	\$48,386

THE CORPORATION OF THE CITY OF HAMILTON

SIX-YEAR FINANCIAL REVIEW - (Continued)

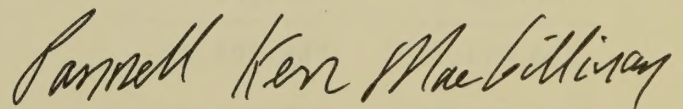
(all dollar amounts are in thousands of dollars, except per capita figures)		1985	1984	1983
1.	POPULATION at the end of the year	307,690	308,102	308,102
2.	AREA in acres at the end of the year	34,807	34,807	34,807
3.	Employees - continuous full time	1,989	1,890	1,899
	- part time	1,142	1,086	993
4.	NUMBER OF HOUSEHOLDS	122,805	121,991	120,497
5.	ASSESSMENT			
	Taxable assessment upon which the year's rates of taxation were raised-			
	Residential and farm	\$505,307	\$503,788	\$494,249
	Commercial and industrial	266,688	261,906	258,354
	Business	124,928	122,887	121,173
	Total	\$896,923	\$888,581	\$873,776
	Per capita	2,915	2,884	2,836
	Commercial and industrial, and business as a percentage of taxable assessment	43.7%	43.3%	43.4%
	Provincial equalization factor	11.44	11.91	12.36
6.	RATES OF TAXATION			
	Residential and farm mill rate			
	for general municipal purposes	73.4019	69.7323	62.7923
	for region or county purposes	59.6126	56.8038	56.6640
	for school board purposes	110.6781	102.4846	98.1207
	Total	243.6926	229.0207	217.5770
	Commercial and industrial mill rate			
	for general municipal purposes	86.3552	82.0379	73.8733
	for region or county purposes	70.1325	66.8280	66.6636
	for school board purposes	130.2096	120.5701	115.4361
	Total	286.6973	269.4360	255.9730
7.	REVENUE FOR GENERAL MUNICIPAL PURPOSES			
	Taxation	\$74,355	\$69,614	\$61,732
	Payments in lieu of taxes	5,012	4,478	4,255
	Ontario grants	14,051	13,371	12,451
	Other grants	1,618	1,848	1,671
	Fees and service charges	10,791	6,914	4,609
	Other	17,182	19,270	17,063
	Total	\$123,009	\$115,495	\$101,781
8.	TAX ARREARS - per capita	\$46	\$50	\$53
	- percentage of current levy	5.7%	6.8%	7.7%
9.	EXPENDITURE - general municipal	\$123,276	\$113,882	\$101,693
10.	TRANSFERS TO THE REGION	\$63,631	\$60,217	\$58,781
11.	TRANSFERS TO THE SCHOOL BOARDS	\$113,025	\$103,395	\$97,053
12.	NET LONG-TERM LIABILITIES			
	General municipal activities	\$53,245	\$43,285	\$36,420
	- per capita	\$173	\$140	\$118
	- percentage of taxable assessment	5.9%	4.9%	4.2%
	Municipal enterprises	\$3,026	\$3,341	\$3,617
13.	CHARGES FOR NET LONG-TERM LIABILITIES			
	General municipal activities	\$9,075	\$7,125	\$7,268
	- per capita	\$29	\$23	\$24
	- as a mill rate	10.12	8.02	8.32
14.	CAPITAL FINANCING DURING THE YEAR			
	Contributions from own funds	\$14,660	\$20,553	\$8,748
	Long-term liabilities incurred	14,192	10,267	494
	Ontario grants	4,150	5,527	5,129
	Other	308	1,110	1,695
	Total	\$33,310	\$37,457	\$16,066
15.	CAPITAL EXPENDITURE DURING THE YEAR	\$33,508	\$35,583	\$16,502
16.	ACCUMULATED NET REVENUE	\$2,599	\$2,924	\$1,441
17.	RESERVES AND RESERVE FUNDS	\$46,238	\$45,776	\$49,353

AUDITORS' REPORT

To the Members of Council,
Inhabitants, and Ratepayers
of The Corporation of
The City of Hamilton.

We have examined the consolidated balance sheet of The Corporation of the City of Hamilton as at December 31, 1988 and the consolidated statement of operations for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these consolidated financial statements present fairly the financial position of The Corporation of the City of Hamilton as at December 31, 1988 and the results of its operations for the year then ended in accordance with the accounting principles disclosed in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.



Hamilton, Canada
April 21, 1989

PANNELL KERR MACGILLIVRAY
Chartered Accountants

THE CORPORATION OF THE CITY OF HAMILTON

CONSOLIDATED BALANCE SHEET December 31, 1988

	1988 \$	1987 \$
ASSETS		
Unrestricted		
Cash and term deposits	22,159,137	16,726,362
Investments in own debentures (note 4)	2,433,000	2,478,000
Other investments (note 4)	22,835,759	17,925,174
Taxes receivable	16,392,138	13,467,939
Accounts receivable	8,283,327	5,253,695
Other current assets	2,830,998	2,968,347
Other long term receivable	4,200	6,300
	-----	-----
	74,938,559	58,825,817
	-----	-----
Restricted		
Cash and term deposits	24,424,817	13,584,210
Long term receivables	3,685,003	3,171,338
Investments in own debentures (note 4)	37,000	60,000
Other investments (note 4)	154,000	190,000
	-----	-----
	28,300,820	17,005,548
	-----	-----
Capital outlay financed by long term liabilities and to be recovered in future years	65,677,228	46,185,723
	-----	-----
	168,916,607	122,017,088
	=====	=====
LIABILITIES		
Accounts payable and accrued liabilities	12,765,087	14,899,871
Other current liabilities	140,800	274,987
	-----	-----
	12,905,887	15,174,858
Net long term liabilities (note 6)	65,677,228	46,185,723
Municipal Fund balances at the end of the year		
To be used to offset taxation or user charges (note 7)	2,122,817	2,380,647
Unexpended capital financing / (Unfinanced capital outlay) (note 7)	13,793,442	(5,007,685)
Reserves (note 10)	46,116,413	46,277,997
Reserve funds (note 10)	28,300,820	17,005,548
	-----	-----
	168,916,607	122,017,088
	=====	=====

The accompanying notes are an integral part of this financial statement.

THE CORPORATION OF THE CITY OF HAMILTON

CONSOLIDATED STATEMENT OF OPERATIONS for the year ended December 31, 1988

	1988 \$	1987 \$
SOURCES OF FINANCING:		
Taxation and user charges		
Residential and farm taxation	50,510,803	46,162,622
Commercial, industrial and business taxation	49,830,310	46,698,567
User charges	21,890,217	21,888,797
	-----	-----
	122,231,330	114,749,986
	-----	-----
Grants		
Government of Canada	54,037	90,648
Province of Ontario	20,266,898	19,138,979
Other municipalities	852,513	455,532
	-----	-----
	21,173,448	19,685,159
	-----	-----
Other		
Contributions from developers	2,554,160	2,276,822
Investment income	10,458,442	7,680,191
Sale of land	2,319,463	5,898,375
Fines, penalties and interest on taxes	4,735,976	4,559,590
Other	2,190,579	4,386,888
	-----	-----
	22,258,620	24,801,866
	-----	-----
Proceeds from the issue of long term liabilities	24,551,000	418,188
	-----	-----
MUNICIPAL FUND BALANCES AT THE BEGINNING OF THE YEAR		
To be used to offset taxation or user charges	2,380,647	2,808,618
Unexpended capital financing/ (unfinanced capital outlay)	(5,007,685)	7,456,332
	-----	-----
	(2,627,038)	10,264,950
	-----	-----
Total financing available during the year	187,587,360	169,920,149
	=====	=====

The accompanying notes are an integral part of this financial statement.

THE CORPORATION OF THE CITY OF HAMILTON

CONSOLIDATED STATEMENT OF OPERATIONS for the year ended December 31, 1988

	1988 \$	1987 \$
APPLIED TO:		
Current operations		
General government	22,476,364	19,923,360
Protection to persons and property	29,770,708	27,163,603
Transportation services	18,140,751	16,974,255
Environmental services	5,453,594	4,964,762
Health services	2,385,554	2,290,587
Social and family services	5,153,612	5,321,300
Recreation and cultural services	42,548,143	40,472,597
Planning and development	9,659,203	8,974,441
	-----	-----
	135,587,929	126,084,905
	-----	-----
Capital		
General government	1,527,146	1,492,108
Protection to persons and property	1,142,516	1,453,556
Transportation services	11,532,632	18,948,650
Environmental services	1,057,871	209,065
Health services	3,043	133,912
Social and family services	6,914	0
Recreation and cultural services	5,260,993	7,004,174
Planning and development	4,418,419	2,323,624
	-----	-----
	24,949,534	31,565,089
	-----	-----
Net appropriations to reserves and reserve funds	11,133,638	14,897,193
	-----	-----
MUNICIPAL FUND BALANCES		
AT THE END OF THE YEAR (note 7)		
To be used to offset taxation or user charges	2,122,817	2,380,647
Unexpended capital financing/ (unfinanced capital outlay)	13,793,442	(5,007,685)
	-----	-----
	15,916,259	(2,627,038)
	-----	-----
Total applications during the year	187,587,360	169,920,149
	=====	=====

The accompanying notes are an integral part of this financial statement.

THE CORPORATION OF THE CITY OF HAMILTON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 1988

1. ACCOUNTING POLICIES

The consolidated financial statements of the Corporation are the representation of management prepared in accordance with accounting policies prescribed for Ontario municipalities by the Ministry of Municipal Affairs. On matters for which The Ministry of Municipal Affairs has not published a prescribed policy, the handbook of The Canadian Institute of Chartered Accountants has been followed. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgements.

(a) (i) Basis of Consolidation

These consolidated statements reflect the assets, liabilities, sources of financing and expenditures of the revenue fund, capital fund, reserve funds and reserves and include the activities of all committees of Council and the following boards, and municipal enterprises which are under the control of Council:

- (1) Hamilton Entertainment and Convention Facilities, Inc.
- (2) Hamilton Public Library Board
- (3) The Parking Authority of the City of Hamilton
- (4) Concession Street Business Improvement Area
- (5) Downtown Hamilton Business Improvement Area
- (6) International Village Business Improvement Area
- (7) Jamesville Business Improvement Area
- (8) Ottawa Street Business Improvement Area
- (9) Westdale Business Improvement Area
- (10) Barton General Business Improvement Area

All interfund assets and liabilities and sources of financing and expenditures have been eliminated with the exception of loans or advances between reserve funds and any other fund of the municipality and the resulting interest income and expenditures.

(ii) Non Consolidated Entities

The following local boards, municipal enterprises and utilities are not consolidated.

- (i) The Hamilton and Scourge Foundation, Inc.
- (ii) Hamilton Housing Company Limited
- (iii) The Hamilton Municipal Retirement Fund
- (iv) The Hamilton Hydro Electric System
- (v) Municipal Non-Profit (Hamilton) Housing Corporation

(iii) Accounting for Region and School Board Transactions (net)

The taxation, other revenues, expenditures, assets and liabilities, with respect to the operations of the school boards and the Regional Municipality of Hamilton-Wentworth, are not reflected in the financial statements except to the extent that underlevies are reported on the "Consolidated Balance Sheet" as accounts receivable.

THE CORPORATION OF THE CITY OF HAMILTON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - (Continued)
for the year ended December 31, 1988

1. ACCOUNTING POLICIES - (Continued)

(a) Basis of Consolidation - (Continued)

(iv) Trust Funds

Trust funds and their related operations administered by the municipality are not consolidated, but are reported separately on the "Trust Funds Statement of Continuity and Balance Sheet."

(b) Basis of Accounting

(i) Nonaccrual

Sources of financing and expenditures are reported on the accrual basis of accounting with the exception of principal and interest charges on long term liabilities which are charged against operations in the periods in which they are paid.

(ii) Accrual

The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay. Transactions and events are recognized in the period in which they occur regardless of whether there has been a receipt or payment of cash or its equivalent.

(iii) Fixed Assets

The historical cost and accumulated depreciation for fixed assets are not recorded for municipal purposes. Fixed assets are reported as an expenditure on the "Consolidated Statement of Operations" in the year of acquisition.

(iv) Capital Outlay to be Recovered in Future Years

"Capital outlay to be recovered in future years" which represents the outstanding principal portion of unmatured long term liabilities for municipal expenditures or capital funds transferred to other organizations, is reported on the "Consolidated Balance Sheet".

2. OPERATION OF SCHOOL BOARDS AND THE REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH

Further to note 1 (a)(iii), the taxation, other revenues, expenditures and (underlevies) of the school boards and the Regional Municipality of Hamilton-Wentworth are comprised of the following:

	School Boards \$	Region \$
Taxation and user charges	149,194,274	82,928,439
Less Requisition	149,072,643	82,869,500
	-----	-----
(Underlevies)/overlevies for the year	121,631	58,939
(Underlevies)/overlevies at the beginning of the year	(208,842)	(68,109)
	-----	-----
(Underlevies)/overlevies at the end of the year	(87,211)	(9,170)
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - (Continued)
for the year ended December 31, 1988

3. TRUST FUNDS

Trust funds administered by the Municipality amounting to \$6,990,542 (1987 - \$6,545,010) have not been included in the "Consolidated Balance Sheet" nor have these operations been included in the "Consolidated Statement of Operations".

4. INVESTMENTS

The total investments of \$25,459,759 (1987 - \$20,653,174) reported on the "Consolidated Balance Sheet" at cost, have a market value of \$24,823,943 (1987 - \$20,441,016) at the end of the year.

5. LIABILITY FOR VESTED SICK LEAVE BENEFITS

Effective January 1, 1982 the Income Protection Plan was adopted and all sick bank credits earned under the Sick Leave Benefit Plan were frozen. The exception to this is for employees of the Fire Department which continues to operate under the Sick Leave Benefit Plan. Under the Sick Leave Benefit Plan, unused sick leave would accumulate and employees were entitled to cash payment upon termination of services after seven continuous years. Entitlement to cash payment continues to apply to those employees who earned credits under this plan. The liability for these accumulated days, to the extent that they have vested and could be taken in cash by an employee on terminating, amounted to \$10,428,283 (1987 - \$10,256,779) at the end of the year. Cash payments made in lieu of sick leave are included in expenditures of the year in which services are terminated but no provision is made for the year in which the liability is incurred. An amount of \$745,962 (1987 - \$523,399) was paid to employees who left the Municipality's employment during the current year. A reserve has been established to provide for this past service liability and is reported on the "Consolidated Balance Sheet". The balance of \$2,788,063 (1987 - \$2,498,672) is provided in the reserve. An amount of \$500,000 (1987 - \$440,000) has been provided for in the current year and is reported on the "Consolidated Statement of Operations". Probable payments over the next five years to employees who reach their normal retirement age are:

1989	1990	1991	1992	1993
\$	\$	\$	\$	\$
205,256	198,954	65,884	386,573	314,035
=====	=====	=====	=====	=====

6. NET LONG-TERM LIABILITIES

	1988	1987
	\$	\$
(a) The balance for net long term liabilities reported on the "Consolidated Balance Sheet" is comprised of the following:		
Total long term liabilities incurred by the Municipality including those incurred on behalf of school boards, other municipalities and municipal enterprises and outstanding at the end of the year amount to	27,677,977	33,064,953

THE CORPORATION OF THE CITY OF HAMILTON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - (Continued)
for the year ended December 31, 1988

6. NET LONG-TERM LIABILITIES - (Continued)

(a) - (Continued)	1988 \$	1987 \$
In addition, the Municipality has assumed responsibility for the payment of principal and interest charges on certain long term liabilities issued by the Regional Municipality of Hamilton-Wentworth. At the end of the year, the outstanding principal amount of the liability is	67,561,207	46,045,373
Of the long term liabilities shown above, the responsibility for payment of principal and interest charges has been assumed by unconsolidated local boards, municipal enterprises and utilities and other municipalities. At the end of the year the outstanding principal amount of this liability is	(26,662,717)	(30,991,777)
The total value of sinking funds which has been accumulated to the end of the year to retire the outstanding long term liabilities included above, amount to	(2,899,239)	(1,932,826)
Net long term liabilities	65,677,228	46,185,723

(b) Of the net long term liabilities reported in (a) of this note, principal payments of \$32,842,841 are payable from 1989 to 1993, \$32,246,611 from 1994 to 1998, and \$587,776 thereafter, summarized as follows:

	1989 to 1993 \$	1994 to 1998 \$	1999 and Thereafter \$
From:			
General municipal revenue	29,298,350	26,850,606	432,000
Benefitting landowners	778,431	646,065	155,776
Consolidated municipal enterprises	2,740,060	4,749,940	0
Reserve	26,000	0	0
	32,842,841	32,246,611	587,776

(c) Some of the net long term liabilities reported in (a) of this note do not represent a burden on general municipal revenues, as they are to be recovered in future years from other sources:

	1988 \$	1987 \$
Special charges on benefitting landowners	1,580,272	1,798,407
Municipal enterprises	7,490,000	407,000
	9,070,272	2,205,407

THE CORPORATION OF THE CITY OF HAMILTON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - (Continued)
for the year ended December 31, 1988

6. NET LONG-TERM LIABILITIES - (Continued)

- (d) Approval of the Ontario Municipal Board has been obtained for the long term liabilities in (a) issued in the name of the Municipality.
- (e) The Municipality is contingently liable for the payment of principal and interest applicable to long term liabilities assumed by other municipalities, school boards and unconsolidated local boards, municipal enterprises and utilities. The total amount outstanding as at December 31, 1988 is \$26,662,717 (1987 - \$30,991,777) and is not recorded on the "Consolidated Balance Sheet".

7. MUNICIPAL FUND BALANCES AT THE END OF THE YEAR

- (a) The municipal equity amounts shown on the "Consolidated Balance Sheet" and "Consolidated Statement of Operations", namely \$2,122,817 and \$13,793,442 (1987 - \$2,380,647 and \$5,007,685) at the end of the year are comprised of the following:

	1988 \$	1987 \$
To be used to offset taxation or user charges:		
- for general reduction of taxation	1,212,887	1,504,312
- for benefitting landowners related to special charges and special areas	796,546	735,946
- business improvement area	113,384	140,389
	-----	-----
	2,122,817	2,380,647
	-----	-----
Unexpended capital financing (unfinanced capital outlay)		
- funds available for capital expenditures	16,319,027	11,157,245
- capital expenditures to be financed from taxation or user charges within term of council	(4,087)	(5,236)
- capital expenditures to be financed from the proceeds of long term liabilities	(1,882,260)	(16,144,012)
- capital expenditures to be recovered from reserves and reserve funds	(538,364)	(13,983)
- capital expenditures to be recovered from grants and accounts receivable	(100,874)	(1,699)
	-----	-----
	13,793,442	(5,007,685)
	-----	-----
	15,916,259	(2,627,038)
	=====	=====

- (b) Ontario Municipal Board approval has been obtained for all unfinanced capital expenditures of 1988 - \$1,882,260 (1987 - \$16,144,012).

THE CORPORATION OF THE CITY OF HAMILTON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - (Continued)
for the year ended December 31, 1988

7. MUNICIPAL FUND BALANCES AT THE END OF THE YEAR - (Continued)

(c) Approval of the Ontario Municipal Board has been obtained for the pending issues of long term liabilities and for those commitments to be financed from revenues beyond the term of Council.

(d) The balance available for the general reduction of taxation for the fiscal year ending December 31, 1988 has been reduced by an amount of \$2,314,255 transferred to:

	\$
Reserve for Utilities Plant Capital	187,435
Reserve for Uninsured Losses	100,000
Reserve for Municipal Subject Content Conferences	25,000
Reserve for Special Events - 1989	45,000
Reserve for Capital Projects	1,956,820

	2,314,255
	=====

This transfer was authorized by the Finance Committee on February 21, 1989. Had this reduction not been made the balance would have shown a surplus of \$3,564,255.

8. CHARGES FOR NET LONG-TERM LIABILITIES

Total charges for the year for net long term liabilities which are reported on the "Consolidated Statement of Operations" are as follows:

	1988	1987
	\$	\$
Principal payment including contributions to the sinking fund	5,059,494	5,079,296
Interest	6,740,188	5,976,652
	-----	-----
	11,799,682	11,055,948
	=====	=====

The charges for long-term liabilities assumed by the non-consolidated entities are not reflected in these statements.

9. NON-ACCRUAL OF INTEREST ON LONG TERM LIABILITIES

No provision has been made in these financial statements for the accrual of interest on the net long term liabilities. Had this provision been made, the municipal fund balance as at December 31, 1988 would have been decreased by \$2,352,824 (1987 - \$1,658,506).

10. RESERVES AND RESERVE FUNDS

The total balance of the reserve and reserve funds of \$46,116,413 (1987 - \$46,277,997) and \$28,300,820 (1987 - \$17,005,548) respectively are made up of the following:

THE CORPORATION OF THE CITY OF HAMILTON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - (Continued)
for the year ended December 31, 1988

10. RESERVES AND RESERVE FUNDS - (Continued)

	1988	1987
RESERVES - Set aside for specific purpose by Council	\$	\$
Acquisition of historic properties	197,440	190,163
Alpha enclaves	126,299	646,392
Contingency	1,706,921	1,855,874
Debt charges	5,386,358	7,521,997
Election	0	135,094
Emergency snow removal	1,244,709	1,432,000
Extended health care benefit	831,090	585,192
Uninsured losses	2,251,035	1,616,395
Long Term Disability Plan	2,895,487	2,187,767
Hamilton Place		
- innovative programming	21,094	35,000
Hamilton Public Library		
- purchase of books	12,675	1,716
- miscellaneous collections	18,993	22,910
- mobile equipment	60,013	60,013
- repair grounds	(51)	3,047
- repair buildings	68,264	8,182
- replacement of photocopiers	73,906	73,906
- film replacement	33,146	26,227
- automated acquisition	10,000	10,000
Historic fire engine	4,911	4,499
Industrial land debt charges	28,535	77,978
Group Life Insurance	579,431	296,259
Maintenance of playground facilities	34,423	30,728
Major repairs and improvements to City owned properties	399,970	239,344
Major repairs to mobile equipment	736,360	592,442
Motorized equipment	315,638	324,606
Property purchases	3,788,311	5,481,049
Realty taxes - Beach Strip properties	9,894	0
Replacement of mobile equipment	6,298,640	6,396,313
Services for unsubdivided lands development	223,509	177,598
Sick leave on resignation	2,788,063	2,498,672
Deferred Income Plan for City Council members	434,519	395,266
Workers' Compensation	493,345	451,988
Working funds, inventories, reduction of taxes and prepaid expenses	11,623,003	10,749,890
Subsidy	170,316	318,225
Commonwealth games bid	0	5,214
Hamilton theatre	0	54,009
Dofasco appeal	2,627,039	1,735,317
Municipal conference	49,468	10,000
Hamilton Scourge	9,329	6,725
Special events	45,000	20,000
Labatt Brior bid	173,889	
Central Utilities Plant	187,435	
Compensation - Pay Equity	158,006	
Total Reserves	46,116,413	46,277,997

THE CORPORATION OF THE CITY OF HAMILTON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - (Continued)
for the year ended December 31, 1988

10. RESERVES AND RESERVE FUNDS - (Continued)

RESERVE FUNDS - Set aside for a specific purpose by legislation, regulation or agreement

	1988	1987
	\$	\$
Acquisition of properties under the Planning Act	4,539,601	3,320,813
Off-street parking	6,006,400	5,055,791
	-----	-----
	10,546,001	8,376,604
	-----	-----

Set aside for a specific purpose by legislation, regulation or agreement

	1988	1987
	\$	\$
Capital projects - general	10,527,355	2,896,486
City vehicle insurance	500,000	500,000
Hamilton Public Library		
- future capital construction	331	330
- capital projects	931,762	702,194
Hamilton Rehabilitation Loan Program	1,065,280	1,061,708
Hamilton Commercial Facade Program	405,720	400,481
Park improvements at Ivor Wynne Stadium	476,000	174,467
Hamilton Entertainment & Convention Facilities Inc. - capital projects	3,035,166	2,165,381
- ticket surcharge	328,381	256,147
Hamilton Community Heritage Fund	484,824	471,750
	-----	-----
	17,754,819	8,628,944
	-----	-----
Total Reserve Funds	28,300,820	17,005,548
	=====	=====

11. CONTRACTUAL OBLIGATIONS

The Municipality is a party to agreements and contracts involving significant future liabilities relative to capital projects in progress. The financial statements reflect the costs incurred to date and the capital budget prepared for five years in the future, updated annually, provides for the financing of these future obligations within the estimated financial resources of the Municipality.

12. LEASE AGREEMENT

The Municipality has entered into various lease agreements for computer and related equipment. These agreements provide for termination on November 30, 1991 to coincide with term of council. The payments required under these agreements for the year 1989 are \$2,072,320.

13. GROUP LONG-TERM DISABILITY PROGRAM

The long term disability program provides income protection for qualified employees. The net contribution paid to the Metropolitan Life Insurance as at December 31, 1988 was \$2,895,487 and is refundable to the Municipality. The latest actuarial valuation of the program liability was estimated to be \$ 2,892,038 as at June 30, 1988. This item is reported in the "Consolidated Balance Sheet" under Reserves as "Reserve for Long Term Disability Plan" and appropriate funds are included as a part of other investment.

THE CORPORATION OF THE CITY OF HAMILTON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - (Continued)
for the year ended December 31, 1988

14. BUDGET FIGURES

Budgets established for Capital Funds, Reserves and Reserve Funds are based on a project-oriented basis, the costs of which may be carried out over one or more years. As such, they are not directly comparable with current year actual amounts and budgets have therefore not been reflected on the "Consolidated Statement of Operations".

15. PUBLIC LIABILITY INSURANCE

The Municipality is partially self insured for public liability claims up to \$2,000,000 for any individual claim and \$2,000,000 for any number of claims arising out of a single occurrence. Outside coverage is in place for claims in excess of these limits.

The Municipality has made a provision for a reserve for self insurance which as at December 31, 1988 amounted to \$2,251,035 (1987- \$1,616,395) and is reported on the "Consolidated Balance Sheet" under reserves.

Claims settled during the year amounting to \$21,103 (1987 - \$83,007) have been provided for from the reserve, and are accordingly reported as an expenditure on the "Consolidated Statement of Operations".

There are a number of claims unsettled as at December 31, 1988, the probable liability of which would not exceed \$2,000,000.

16. COMPARATIVE FIGURES

Certain comparative figures for 1987 have been reclassified to agree with the financial statement presentation adopted for 1988.

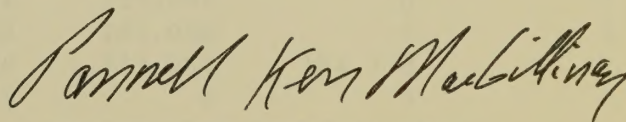
AUDITORS' REPORT

To the Members of Council,
Inhabitants, and Ratepayers
of The Corporation of
The City of Hamilton.

We have examined the balance sheet of the trust funds of The Corporation of the City of Hamilton as at December 31, 1988 and the statement of continuity of trust funds for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the trust funds of The Corporation of the City of Hamilton as at December 31, 1988 and the continuity of trust funds for the year then ended in accordance with the accounting principles disclosed in note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Hamilton, Canada
April 18, 1989



PANNELL KERR MACGILLIVRAY
Chartered Accountants

THE CORPORATION OF THE CITY OF HAMILTON

TRUST FUNDS

STATEMENT OF CONTINUITY for the year ended December 31, 1988

	Total \$	Hamilton Cemeteries Perpetual Care \$	Hamilton Cemeteries Pre-Need Assurance \$	McLaren House Scholarship \$
Balance - beginning of year	6,545,010	2,418,012	162,215	1,083
Capital Receipts				
Cemetery lots and interments	159,676	138,931	20,745	0
Income Receipts				
Interest earned	597,203	236,173	17,244	92
Other revenue	26,734	0	0	0
Transfer from reserve and other funds	268,962	0	0	0
	1,052,575	375,104	37,989	92
Expenditure				
Transfer to revenue fund	253,417	236,173	17,244	0
O.H.R.P. loan forgiveness	3,789	0	0	0
Other	42,354	0	0	0
Transfer to reserve and other funds	307,483	2,606	16,247	0
	607,043	238,779	33,491	0
Balance - end of the year	6,990,542	2,554,337	166,713	1,175

BALANCE SHEET as at December 31, 1988

Assets				
Cash	2,806,031	376,369	26,901	0
Accounts Receivable	38,432	20,175	2,059	0
	2,844,463	396,544	28,960	0
Investments (note 2)				
Municipal - own	308,704	129,000	0	0
Municipal - other	309,000	289,000	0	0
Other	2,116,306	1,753,957	184,778	0
Deposit - Hamilton Foundation	404,971	0	0	0
	3,138,981	2,171,957	184,778	0
Other				
O.H.R.P. loans forgivable	788,800	0	0	0
Due from revenue fund	329,923	0	0	1,175
	1,118,723	0	0	1,175
	7,102,167	2,568,501	213,738	1,175
Liabilities				
Due to revenue fund	111,625	14,164	47,025	0
Balance in fund - capital	3,653,810	2,554,337	166,713	1,175
- income	3,336,732	0	0	0
	6,990,542	2,554,337	166,713	1,175
	7,102,167	2,568,501	213,738	1,175

The accompanying notes are an integral part of this financial statement.

THE CORPORATION OF THE CITY OF HAMILTON

STATEMENT OF CONTINUITY - (Continued) for the year ended December 31, 1988

	Museum Acquisition Historical Board \$	Children's Museum Gage Park \$	F. Walden Dundurn Castle \$	F. Walden Library Bequest \$
Balance - beginning of year	16,562	6,836	3,183	34,853
Capital Receipts				
Cemetery lots and interments	0	0	0	0
Income Receipts				
Interest earned	1,515	651	311	2,250
Other revenue	0	550	1,250	0
Transfer from reserve and other funds	0	0	0	0
	1,515	1,201	1,561	2,250
Expenditure				
Transfer to revenue fund	0	0	0	0
O.H.R.P. loan forgiveness	0	0	0	0
Other	0	0	0	5,250
Transfer to reserve and other funds	0	0	0	0
	0	0	0	5,250
Balance - end of the year	18,077	8,037	4,744	31,853
	=====	=====	=====	=====

BALANCE SHEET - (Continued) as at December 31, 1988

Assets				
Cash	0	0	0	0
Accounts Receivable	0	0	0	24
	0	0	0	24
Investments (note 2)				
Municipal - own	0	0	0	0
Municipal - other	0	0	0	0
Other	0	0	0	37,079
Deposit - Hamilton Foundation	0	0	0	0
	0	0	0	37,079
Other				
O.H.R.P. loans forgivable	0	0	0	0
Due from revenue fund	18,077	8,037	4,744	0
	18,077	8,037	4,744	0
	18,077	8,037	4,744	37,103
	=====	=====	=====	=====
Liabilities				
Due to revenue fund	0	0	0	5,250
Balance in fund - capital	18,077	8,037	4,744	31,853
- income	0	0	0	0
	18,077	8,037	4,744	31,853
	18,077	8,037	4,744	37,103
	=====	=====	=====	=====

The accompanying notes are an integral part of this financial statement.

THE CORPORATION OF THE CITY OF HAMILTON

TRUST FUNDS

STATEMENT OF CONTINUITY - (Continued)
for the year ended December 31, 1988

	Mable Waldon Thompson Estate - Library \$	Special Gift Fund Central Library \$	Whitehern Rentals \$	Balfour Estate \$
Balance - beginning of Year	12,407	390,485	1,194	63,198
Capital Receipts				
Cemetery lots and interments	0	0	0	0
Income Receipts				
Interest earned	801	61,565	114	5,672
Other revenue	0	2,776	1,954	15,000
Transfer from reserve and other funds	0	0	0	0
	801	64,341	2,068	20,672
Expenditure				
Transfer to revenue fund	0	0	0	0
O.H.R.P. loan forgiveness	0	0	0	0
Other	0	8,129	0	12,700
Transfer to reserve and other funds	0	0	0	0
	0	8,129	0	12,700
Balance - end of the year	13,208	446,697	3,262	71,170
	=====	=====	=====	=====

BALANCE SHEET - (Continued)
as at December 31, 1988

Assets				
Cash	0	73,106	0	0
Accounts Receivable	9	15,971	0	0
	9	89,077	0	0
Investments (note 2)				
Municipal - own	0	0	0	0
Municipal - other	0	0	0	0
Other	13,199	97,292	0	0
Deposit - Hamilton Foundation	0	265,171	0	0
	13,199	362,463	0	0
Other				
Other long term assets	0	0	0	0
Due from revenue fund	0	0	3,262	71,170
	0	0	3,262	71,170
	13,208	451,540	3,262	71,170
	=====	=====	=====	=====
Liabilities				
Due to revenue fund	0	4,843	0	0
Balance in fund - capital	13,208	446,697	3,262	71,170
- income	0	0	0	0
	13,208	446,697	3,262	71,170
	13,208	451,540	3,262	71,170
	=====	=====	=====	=====

The accompanying notes are an integral part of this financial statement.

THE CORPORATION OF THE CITY OF HAMILTON

TRUST FUNDS

STATEMENT OF CONTINUITY - (Continued)
for the year ended December 31, 1988

	Capital Endowment Library \$	Ketha McClaren Memorial Fund \$	Senior Citizens Club - Playground Equipment \$	Hamilton Historic Board Furnishing Restoration \$
Balance - beginning of year	260,969	10,910	6,768	12,615
Capital Receipts				
Cemetery lots and interments	0	0	0	0
Income Receipts				
Interest earned	13,742	591	619	1,087
Other revenue	4,827	145	0	232
Transfer from reserve and other funds	0	0	0	0
	18,569	736	619	1,319
Expenditure				
Transfer to revenue fund	0	0	0	0
O.H.R.P. loan forgiveness	0	0	0	0
Other	741	578	0	1,649
Transfer to reserve and other funds	0	0	0	0
	741	578	0	1,649
Balance - end of the year	278,797	11,068	7,387	12,285

BALANCE SHEET - (Continued)
as at December 31, 1988

Assets				
Cash	0	0	0	0
Accounts Receivable	0	0	0	0
	0	0	0	0
Investments (note 2)				
Municipal - own	177,704	0	0	0
Municipal - other	0	0	0	0
Other	12,081	475	0	0
Deposit - Hamilton Foundation	129,355	10,445	0	0
	319,140	10,920	0	0
Other				
O.H.R.P. loans forgivable	0	0	0	0
Due from revenue fund	0	148	7,387	12,285
	0	148	7,387	12,285
	319,140	11,068	7,387	12,285
Liabilities				
Due to revenue fund	40,343	0	0	0
Balance in fund - capital	278,797	11,068	7,387	12,285
- income	0	0	0	0
	278,797	11,068	7,387	12,285
	319,140	11,068	7,387	12,285

The accompanying notes are an integral part of this financial statement.

THE CORPORATION OF THE CITY OF HAMILTON

TRUST FUNDS

STATEMENT OF CONTINUITY - (Continued) for the year ended December 31, 1988

	Ontario Home Renewal Program \$	Baby Dispensary Guild Trust \$	Hubert Washington Memorial Fund \$	Elizabeth Herron Trust Fund \$
Balance - beginning of year	3,098,815	41,655	1,083	2,167
Capital Receipts				
Cemetery lots and interments	0	0	0	0
Income Receipts				
Interest earned	250,272	4,229	92	183
Other revenue	0	0	0	0
Transfer from reserve and other funds	268,962	0	0	0
	519,234	4,229	92	183
Expenditure				
Transfer to revenue fund	0	0	0	0
O.H.R.P. loan forgiveness	3,789	0	0	0
Other	18,900	0	0	0
Transfer to reserve and other funds	283,037	0	0	0
	305,726	0	0	0
Balance - end of the year	3,312,323	45,884	1,175	2,350

BALANCE SHEET - (Continued) as at December 31, 1988

Assets				
Cash	2,323,410	6,245	0	0
Accounts Receivable	0	194	0	0
	2,323,410	6,439	0	0
Investments (Note 2)				
Municipal - own	0	2,000	0	0
Municipal - other	0	20,000	0	0
Other	0	17,445	0	0
Deposit - Hamilton Foundation	0	0	0	0
	0	39,445	0	0
Other				
O.H.R.P. loans forgivable	788,800	0	0	0
Due from revenue fund	200,113	0	1,175	2,350
	988,913	0	1,175	2,350
	3,312,323	45,884	1,175	2,350
Liabilities				
Due to revenue fund	0	0	0	0
Balance in fund - capital	0	22,000	1,000	2,000
- income	3,312,323	23,884	175	350
	3,312,323	45,884	1,175	2,350
	3,312,323	45,884	1,175	2,350

The accompanying notes are an integral part of this financial statement.

THE CORPORATION OF THE CITY OF HAMILTON

TRUST FUNDS

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 1988

1. ACCOUNTING POLICIES

Basis of Accounting

Receipts and expenditures on the "Statement of Continuity" are reported on the accrual basis of accounting.

2. INVESTMENTS

The total investments recorded in the Balance Sheet are \$3,138,981 (1987 - \$2,992,829). These investments have a market value of \$3,027,077 (1987 - \$2,874,950) at the end of the year.

AUDITORS' REPORT

To the Board Members of The
Hamilton Entertainment and
Convention Facilities Inc.,
Members of Council, Inhabitants
and Ratepayers of the Corporation
of the City of Hamilton

We have examined the balance sheet of The Hamilton Entertainment and Convention Facilities Inc. as at December 31, 1988 and the statement of revenue and expenditures for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the corporation as at December 31, 1988 and the results of its operations for the year then ended in accordance with the accounting principles disclosed in note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Pannell Kerr MacGillivray

Hamilton, Canada
March 3, 1989

PANNELL KERR MACGILLIVRAY
Chartered Accountants

THE CORPORATION OF THE CITY OF HAMILTON

THE HAMILTON ENTERTAINMENT AND CONVENTION FACILITIES INC.

BALANCE SHEET DECEMBER 31, 1988

	1988	1987
	\$	\$
ASSETS		
CURRENT		
Imprest funds	16,800	16,500
Cash in bank	22,731	6,453
Accounts receivable	471,053	712,725
Due from City of Hamilton	228,564	267,091
Inventories (note 2)	75,888	65,619
Prepaid expenses	26,520	36,266
Deferred charges on future shows	15,025	10,435
	-----	-----
	856,581	1,115,089
	=====	=====
LIABILITIES AND RESERVES		
CURRENT		
Accounts payable and accruals	344,494	445,083
Advance ticket sales	223,798	330,784
Deposits on future rentals	153,140	141,907
Unredeemed gift certificates	114,055	113,315
	-----	-----
	835,487	1,031,089
RESERVE FOR INNOVATIVE PROGRAMMING (note 3)	21,094	35,000
Surplus at the end of the year	0	49,000
	-----	-----
	856,581	1,115,089
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

THE HAMILTON ENTERTAINMENT AND CONVENTION FACILITIES INC.

STATEMENT OF REVENUE AND EXPENDITURE
FOR THE YEAR ENDED DECEMBER 31, 1988

	1988	1987
	\$	\$
REVENUE		
Food, beverage and concessions	2,726,350	2,871,964
Rentals, licence fees and show revenue	2,028,711	1,719,618
Recoveries	1,311,242	1,608,830
Box office	473,545	494,496
Other	503,157	316,853
	-----	-----
	7,043,005	7,011,761
	-----	-----
EXPENDITURE		
Operations	2,168,945	2,373,354
Food and beverage	2,036,985	2,058,901
Administration	1,757,347	1,664,005
Maintenance	1,324,496	1,209,222
Marketing and promotion	1,002,230	845,828
Box office	409,844	403,474
	-----	-----
	8,699,847	8,554,784
	-----	-----
EXCESS OF EXPENDITURE OVER REVENUE FROM OPERATIONS	1,656,842	1,543,023
	-----	-----
CONTRIBUTION FROM CITY OF HAMILTON		
Surplus prior year	49,000	139,000
Contribution from City of Hamilton	2,396,960	2,396,960
	-----	-----
	2,445,960	2,535,960
	-----	-----
EXCESS OF REVENUE OVER EXPENDITURE FOR THE YEAR	789,118	992,937
TRANSFER TO THE CITY OF HAMILTON (note 4)	789,118	943,937
	-----	-----
SURPLUS	0	49,000
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

SCHEDULE I

THE HAMILTON ENTERTAINMENT AND CONVENTION FACILITIES INC.

SCHEDULE OF FINANCIAL RESULTS BY DIVISION FOR THE YEAR ENDED DECEMBER 31, 1988

	Copps Coliseum	
	1988	1987
	\$	\$
	(note 8)	
Revenue	2,128,909	1,807,887
Expenditure	1,897,381	1,706,031
	-----	-----
Excess of revenue (expenditure) from operations	231,528	101,856
Contribution from City of Hamilton	105,670	264,215
	-----	-----
Excess of revenue (expenditure) from operations	337,198	366,071
	=====	=====

	Hamilton Convention Centre	
	1988	1987
	\$	\$
	(note 8)	
Revenue	2,959,866	2,872,080
Expenditure	3,170,283	3,162,073
	-----	-----
Excess of revenue (expenditure) from operations	(210,417)	(289,993)
Contribution from City of Hamilton	465,620	520,525
	-----	-----
Excess of revenue (expenditure) from operations	255,203	230,532
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

SCHEDULE I

THE HAMILTON ENTERTAINMENT AND CONVENTION FACILITIES INC.

SCHEDULE OF FINANCIAL RESULTS BY DIVISION - (Continued)
FOR THE YEAR ENDED DECEMBER 31, 1988

	Hamilton Place	
	1988	1987
	\$	\$
Revenue	1,321,439	1,697,098
Expenditure	1,911,308	2,246,419
	-----	-----
Excess of revenue (expenditure) from operations	(589,869)	(549,321)
Contribution from City of Hamilton	576,790	549,980
	-----	-----
Excess of revenue (expenditure) from operations	(13,079)	659
	=====	=====

	Corporate	
	1988	1987
	\$	\$
		(note 8)
Revenue	632,791	634,696
Expenditure	1,720,875	1,440,261
	-----	-----
Excess of revenue (expenditure) from operations	(1,088,084)	(805,565)
Contribution from City of Hamilton	1,297,880	1,201,240
	-----	-----
Excess of revenue (expenditure) from operations	209,796	395,675
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

SCHEDULE I

THE HAMILTON ENTERTAINMENT AND CONVENTION FACILITIES INC.

SCHEDULE OF FINANCIAL RESULTS BY DIVISION - (Continued)
FOR THE YEAR ENDED DECEMBER 31, 1988

	Total	
	1988	1987
	\$	\$
Revenue	7,043,005	7,011,761
Expenditure	8,699,847	8,554,784
	-----	-----
Excess of revenue (expenditure) from operations	(1,656,842)	(1,543,023)
Contribution from City of Hamilton	2,445,960	2,535,960
	-----	-----
Excess of revenue (expenditure) from operations	789,118	992,937
	=====	=====

The Corporate Division is comprised of the Marketing Services Department and the Finance and Administration Department, which includes the Box Office and related fees.

THE CORPORATION OF THE CITY OF HAMILTON

THE HAMILTON ENTERTAINMENT AND CONVENTION FACILITIES INC.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1988

1. SIGNIFICANT ACCOUNTING POLICIES

The corporation follows accounting principles appropriate for a not-for-profit organization. The more significant of these accounting policies are summarized below.

(a) Rentals, Licence Fees and Show Revenue

Rentals, licence fees and show revenue comprise minimum rental and licence fees, negotiated percentages of box office receipts and profit or loss when the corporation acts as a promoter or co-promotor on shows.

Revenues exclude the capital improvement ticket surcharge (see note 5).

(b) Inventories

Inventories are valued at the lower of cost, measured on a first-in, first-out basis, and replacement value.

(c) Fixed Assets and Depreciation

The land, buildings and original equipment of The Hamilton Entertainment and Convention Facilities Inc. are owned by the Corporation of the City of Hamilton. Purchases of equipment and furnishings are charged either directly to operations in the year in which the expenditures occur, or to a capital projects reserve fund established for the purchase of fixed assets and maintained by the City of Hamilton on behalf of The Hamilton Entertainment and Convention Facilities Inc.

(d) Reserves

Appropriations for reserves, if any, are included as expenditures. Payments relating to the functional purpose of the reserves are charged directly to the reserves.

The accompanying financial statements do not include the activities of two related corporations, The Hamilton Performing Arts Foundation Inc. and The Hamilton Arena/Trade Centre Foundation Inc.

2. INVENTORIES

Inventories consist of liquor, beer, wine, food, soft drinks and tobacco supplies.

3. CONTINUITY OF RESERVE FOR INNOVATIVE PROGRAMMING

	1988 \$	1987 \$
Balance at the beginning of the year	35,000	45,000
Less charges during the year	13,906	10,000
	-----	-----
Balance at the end of the year	21,094	35,000
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

THE HAMILTON ENTERTAINMENT AND CONVENTION FACILITIES INC.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1988 - (Continued)

4. TRANSFER TO THE CITY OF HAMILTON

At the end of the year \$ 789,118 (1987 - \$ 943,937) of the excess of revenue over expenditure for the year was returned to the City of Hamilton. The amount has been allocated to the following reserve accounts:

	1988	1987
	\$	\$
Reserve for Capital		
Projects (see note 5)	789,118	668,937
Special Events Subsidy		
Fund		275,000
	-----	-----
	789,118	943,937
	=====	=====

5. OTHER RESERVE FUNDS

The following reserve funds have been set aside by City Council on behalf of The Hamilton Entertainment and Convention Facilities Inc.

(a) Capital Improvement Surcharge Fund

The Hamilton Entertainment and Convention Facilities Inc. levies a patron surcharge on ticket admissions to Hamilton Place. Receipts from this surcharge are transferred quarterly to the City of Hamilton and recorded in the Hamilton Place Ticket Surcharge reserve fund account. The funds in this account are utilized for capital improvements to Hamilton Place. The continuity of this fund is summarized as follows:

	1988	1987
	\$	\$
Balance at the beginning of the year	256,147	430,912
Receipts during the year	87,021	108,846
Interest earned during the year	23,580	18,030
Payments made in year		
Stage draperies for the Great Hall	(29,667)	
Design concept for a marquee	(8,700)	
Personnel hoist		(30,444)
Updated lighting systems for		
the Great Hall and Studio Theatre		(242,129)
Stage floor reinforcement for		
the Great Hall		(21,190)
Refurbishing and insulating		
Studio Theatre floor		(7,878)
	-----	-----
Balance at the end of the year	328,381	256,147
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

THE HAMILTON ENTERTAINMENT AND CONVENTION FACILITIES INC.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 1988 - (Continued)

5. OTHER RESERVE FUNDS - (Continued)

(a) Capital Improvement Surcharge Fund - (Continued)

The following commitments have been approved by the Board of Directors and will be charged against the fund in the year of acquisition:

	1988 \$	1987 \$
Stage draperies for the Great Hall		29,667
Balance of purchase order remaining on refurbishing and insulating Studio Theatre floor	5,120	5,120
Design concept for a marquee		8,700
	-----	-----
	5,120	43,487
	=====	=====

(b) Fund for Capital Projects

This reserve and the interest earned is used primarily to finance major building repairs, purchase of equipment or replacement thereof. The continuity of this fund is summarized as:

	1988 \$	1987 \$
Balance at the beginning of the year	2,165,380	1,516,447
Interest earned during the year	195,117	125,296
Surplus transferred from The Hamilton Entertainment and Convention Facilities Inc.	789,118	668,937
Miscellaneous	4,411	
	-----	-----
	3,154,026	2,310,680
Expenditures for approved capital projects	(118,860)	(145,300)
	-----	-----
Balance at the end of the year	3,035,166	2,165,380
	=====	=====

The Board of Directors has approved proceeding with the following projects which will be charged against the fund in the year of acquisition:

	1988 \$	1987 \$
Roof replacement for Hamilton Place	349,000	
Sound replacement for Hamilton Place	202,000	
Carpet replacement for Hamilton Place and Convention Centre	336,000	
Installation of advertising display panels for Copps Coliseum	40,000	
Facility management computer system	64,000	65,000
Furniture and equipment for the Hamilton Convention Centre	296,300	263,000
Renovations for Copps Coliseum	180,200	91,100
Equipment for the Corporate division	3,100	7,400
	-----	-----
	1,470,600	426,500
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

THE HAMILTON ENTERTAINMENT AND CONVENTION FACILITIES INC.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 1988 - (Continued)

5. OTHER RESERVE FUNDS - (Continued)

(c) Special Events Subsidy Fund

This reserve and interest earned thereon is used primarily to attract events to the facilities operated by The Hamilton Entertainment and Convention Facilities Inc. The continuity of this fund is summarized as:

	1988 \$	1987 \$
Balance at the beginning of the year	318,225	182,139
Surplus transferred from The Hamilton Entertainment and Convention Facilities Inc.		275,000
Interest earned during the year	23,998	7,675
Payments made in the year		
- Parking fee reductions	(30,563)	(61,559)
- Event subsidies	(141,344)	(85,030)
	-----	-----
Balance at the end of the year	170,316	318,225
	=====	=====

As of December 31, 1988 the Board of Directors has approved event subsidy commitments of \$ 21,500 for 1989.

6. SEGMENTED INFORMATION

The Hamilton Entertainment and Convention Facilities Inc. was incorporated without share capital under the laws of Ontario by the City of Hamilton to maintain and operate, in the public interest, the following facilities:

Copps Coliseum (a trade centre and arena)
Hamilton Convention Centre
Hamilton Place (a theatre-auditorium)

The financial results by division are summarized on Schedule #1 to these financial statements.

7. OTHER FINANCIAL INFORMATION

At December 31, 1988 the Corporation of the City of Hamilton has outstanding long term debt of \$19,112,274 (1987 - \$20,211,646) which was incurred to acquire the buildings and original equipment of The Hamilton Entertainment and Convention Facilities Inc. The Corporation of the City of Hamilton's interest and principal repayments on this debt for 1988 were \$2,311,373 (1987 - \$2,420,405) and \$1,768,406 (1987 - \$1,674,055) respectively.

In addition, the Corporation of the City of Hamilton incurred estimated utility charges of \$755,000 (1987 - \$675,000) related to the operations of The Hamilton Entertainment and Convention Facilities Inc.

8. COMPARATIVE FIGURES

Certain reclassifications of 1987 comparative figures have been made to conform to the financial statement presentation adopted in 1988.

AUDITORS' REPORT

To the Chairman and the Board Members
of the Hamilton Public Library,
Members of Council, Inhabitants and
Ratepayers of the Corporation of the
City of Hamilton

We have examined the balance sheet of the Hamilton Public Library as at December 31, 1988 and the statement of revenue and expenditure and the reserves and trust funds statements of continuity for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Library as at December 31, 1988 and the results of its operations and the continuity of its reserves and trust funds for the year then ended in accordance with the accounting principles disclosed in note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Pannell Kerr MacGillivray

Hamilton, Canada
April 14, 1989

PANNELL KERR MACGILLIVRAY
Chartered Accountants

THE CORPORATION OF THE CITY OF HAMILTON

HAMILTON PUBLIC LIBRARY

BALANCE SHEET December 31, 1988

	1988 \$	1987 \$
ASSETS		
Unrestricted		
Cash	3,714	1,250
Accounts receivable	7,874	15,457
Due from City of Hamilton	478,616	325,699
Prepaid expenses	6,370	1,959
Gift shop inventory	3,815	10,106
	-----	-----
	500,389	354,471
	-----	-----
Restricted - Reserve Funds & Trust Funds		
Cash	73,106	66,745
Term deposits	50,278	47,260
Deposits with the Hamilton Foundation	404,971	451,386
Investments:		
- Cliff Avenue	97,292	0
- Herkimer Street	177,704	0
Accounts receivable	0	405
Accrued interest receivable	28,560	31,142
Due from City of Hamilton	0	115,074
	-----	-----
	831,911	712,012
	-----	-----
	1,332,300	1,066,483
	=====	=====
LIABILITIES, RESERVES AND FUND BALANCES		
Accounts payable and accrued liabilities	223,113	148,472
Reserves	276,946	205,999
	-----	-----
	500,059	354,471
	-----	-----
Reserve funds	331	330
	-----	-----
Trust funds		
Accounts payable and accrued liabilities	29	2,058
Fund balance	781,623	709,624
Due to City of Hamilton	50,258	0
	-----	-----
	831,910	711,682
	-----	-----
	1,332,300	1,066,483
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

HAMILTON PUBLIC LIBRARY

STATEMENT OF REVENUE AND EXPENDITURE for the year ended December 31, 1988

	1988 \$	1987 \$
REVENUE		
Municipal contribution	9,901,670	9,470,810
Province of Ontario grant	839,756	794,182
Regional library system contract	11,170	5,928
Other - rentals, sales and recoveries	429,038	505,060
	-----	-----
TOTAL REVENUE	11,181,634	10,775,980
	-----	-----
EXPENDITURE		
Central Library administration and technical services (schedule)	7,172,003	7,038,451
	-----	-----
Transfers to trust funds	0	332
	-----	-----
Library Branches		
Barton	223,162	211,292
Kenilworth	240,790	291,320
Locke	87,248	83,918
Concession	195,972	201,141
Westdale	228,752	228,397
Sherwood	329,084	298,077
Red Hill	258,634	243,450
Terryberry	483,920	461,586
Picton	167,155	155,638
Children's librarian service	153,788	148,004
	-----	-----
	2,368,505	2,322,823
	-----	-----
Materials and supplies		
- periodicals	155,581	143,182
- non-print materials	268,005	270,532
	-----	-----
	423,586	413,714
	-----	-----
Total operating expenditure	9,964,094	9,775,320
Transfers to own reserves	981,110	965,582
	-----	-----
TOTAL EXPENDITURE	10,945,204	10,740,902
	-----	-----
EXCESS OF REVENUE OVER EXPENDITURE	236,430	35,078
Transfer to City of Hamilton reserve funds (note 2)	236,430	35,078
	-----	-----
EXCESS OF REVENUE OVER EXPENDITURE	0	0
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

HAMILTON PUBLIC LIBRARY

SCHEDULE OF EXPENDITURES
Central Library Administration and Technical Services
for the year ended December 31, 1988

	1988	1987
	\$	\$
Administration	1,182,853	1,163,181
Operations	711,968	736,653
Popular Collections	0	66,477
Audio/Visual	291,571	275,153
Boys and Girls	145,568	152,933
Quick Information	285,868	269,589
Extension Services	488,292	460,544
Special Acquisitions	202,055	195,458
Business, Science and Technology	526,813	471,090
Social Sciences and History	252,191	256,108
Fiction/Language/Literature	380,538	300,126
Fine Arts	209,815	203,884
Circulation	369,585	356,123
Interlibrary loans	56,558	54,018
Public Relations & Publicity	280,751	288,308
Technical Services	1,244,105	1,221,077
Automated Circulation System Implementation	481,720	453,891
Common Areas/Meeting Rooms/Staff Rooms	1,680	1,419
Audio Centre Fifth Floor	19,183	18,645
Planning Process	38,571	44,468
Photocopier Services	0	40,999
Miscellaneous	2,318	8,307
	-----	-----
	7,172,003	7,038,451
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

HAMILTON PUBLIC LIBRARY

RESERVES STATEMENT OF CONTINUITY
for the year ended December 31, 1988

	Total \$	Libraries Replacement of Equipment \$	Reserve for Repairs Grounds \$
BALANCE AT DECEMBER 31, 1987	205,999	60,013	3,047
REVENUE			
Contributions from revenue fund	981,110	0	8,240
Donations and other	115,260	0	0
	1,096,370	0	8,240
EXPENDITURE			
Replacement or repairs	86,055	0	11,338
Purchase of books	939,368	0	0
	1,025,423	0	11,338
BALANCE AT DECEMBER 31, 1988	276,946	60,013	(51)

	Reserve for Repairs Buildings \$	Reserve for Replacement of Films \$	Reserve for Replacement of Photocopier \$
BALANCE AT DECEMBER 31, 1987	8,181	26,227	73,906
REVENUE			
Contributions from revenue fund	26,460	0	0
Donations and other	40,000	75,260	0
	66,460	75,260	0
EXPENDITURE			
Replacement or repairs	6,377	68,340	0
Purchase of books	0	0	0
	6,377	68,340	0
BALANCE AT DECEMBER 31, 1988	68,264	33,147	73,906

THE CORPORATION OF THE CITY OF HAMILTON

HAMILTON PUBLIC LIBRARY

RESERVES STATEMENT OF CONTINUITY - (Continued)
for the year ended December 31, 1988

	Reserve for Purchase of Books \$	Reserve for Miscellaneous Collections \$	Reserve for Automated Acquisition System \$
BALANCE AT DECEMBER 31, 1987	1,715	22,910	10,000
REVENUE			
Contributions from revenue fund	939,790	6,620	0
	939,790	6,620	0
EXPENDITURE			
Replacement or repairs	0	0	0
Purchase of books	928,831	10,537	0
	928,831	10,537	0
BALANCE AT DECEMBER 31, 1988	12,674	18,993	10,000

RESERVE FUND
Statement of Continuity
for the year ended December 31, 1988

	Capital Expenditures 1988 \$	Capital Expenditures 1987 \$
Balance at the beginning of the year	330	3,798
Interest	1	0
Expenditures	0	3,468
Balance at the end of the year	331	330

THE CORPORATION OF THE CITY OF HAMILTON

THE HAMILTON PUBLIC LIBRARY

TRUST FUNDS STATEMENT OF CONTINUITY for the year ended December 31, 1988

	Total \$	Special Gifts Fund \$	F. Waldon Bequest \$
BALANCE AT DECEMBER 31, 1987	709,624	390,485	34,853
REVENUE			
Interest	78,949	61,565	2,250
Other	7,748	2,776	0
	86,697	64,341	2,250
EXPENDITURE			
Other	14,698	8,129	5,250
	14,698	8,129	5,250
BALANCE AT DECEMBER 31, 1988	781,623	446,697	31,853

	F. Waldon Thompson Bequest \$	Ketha McLaren Memorial Fund \$	Capital Endowment \$
BALANCE AT DECEMBER 31, 1987	12,407	10,910	260,969
REVENUE			
Interest	801	591	13,742
Other	0	145	4,827
	801	736	18,569
EXPENDITURE			
Other	0	578	741
	0	578	741
BALANCE AT DECEMBER 31, 1988	13,208	11,068	278,797

THE CORPORATION OF THE CITY OF HAMILTON

HAMILTON PUBLIC LIBRARY

NOTES TO FINANCIAL STATEMENTS
for the year ended December 31, 1988

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

Revenues and expenditures are reported on the accrual basis of accounting which recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of a receipt of goods or services and the creation of a legal obligation to pay.

(b) Fixed Assets and Depreciation

The historical cost and accumulated depreciation for fixed assets are not recorded. Purchases of fixed assets are charged either directly to operations in the year in which the expenditures occur, or to a reserve established for the purchase of fixed assets.

2. CITY OF HAMILTON - RESERVE FUNDS

At the discretion of Council, the City of Hamilton has set aside the the following reserve funds for the Hamilton Public Library. These funds are included in the City's Consolidated Balance Sheet.

	Capital Projects 1988 \$	Capital Projects 1987 \$
Balance at the beginning of the year	702,194	835,547
Contributions from the Hamilton Public Library	236,430	35,078
Interest earned	61,495	65,729
	297,925	100,807
Expenditures	68,357	234,160
Balance at the end of the year	931,762	702,194

THE CORPORATION OF THE CITY OF HAMILTON

HAMILTON PUBLIC LIBRARY

NOTES TO FINANCIAL STATEMENTS - (Continued)
for the year ended December 31, 1988

3. NET LONG-TERM LIABILITIES AND DEBT CHARGES

These statements reflect only the current operations of the Library and do not show the capital outlay to be recovered, long term debt or debt charges.

(i) Debt charges were incurred during the year as follows:

	1988	1987
	\$	\$
Principal	658,220	594,940
Interest	906,974	949,450
	-----	-----
	1,565,194	1,544,390
	=====	=====

(ii) Principal payments are due as follows:

	\$
1989	717,930
1990	797,610
1991	935,530
1992	448,500
1993	505,330
Thereafter	3,894,890

	7,299,790
	=====

4. LIABILITY FOR VESTED SICK LEAVE BENEFITS

Effective May 1, 1982 the Income Protection Plan was adopted and sick bank credits earned under the Sick Leave Benefit Plan were frozen. Under the Sick Leave Benefit Plan unused sick leave would accumulate and employees were entitled to cash payment upon termination of services after seven continuous years. Entitlement to cash payment continues to apply to those employees who earned credits under this plan. The liability for these accumulated days, to the extent that they have vested and could be taken in cash by an employee on termination, amounted to \$485,578 (1987 - \$473,810) at the end of the year. Cash payments made in lieu of sick leave are included in the expenditures of the year in which services are terminated but no provision is made for the year in which the liability is incurred. The current year's expenditure of \$12,670 (1987 - \$40,539) for sick leave liability is not reflected in the Library's Statement of Revenue and Expenditure, but is included in the City's Consolidated Statement of Operations.

5. UTILITY CHARGES

The total operating expenditures for utilities supplied by the Central Utilities Plant to the Library amount to approximately \$394,000 for 1988. The cost of utilities are not reflected in the Library's Statement of Revenue and Expenditures, but are included in the City's Consolidated Statement of Operations.

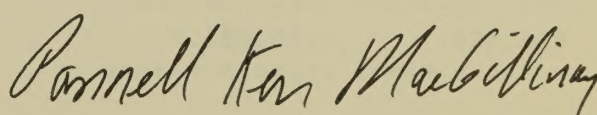
AUDITORS' REPORT

To the Board of Directors of
The Parking Authority of the City of Hamilton,
Members of Council, Inhabitants and Ratepayers of
the Corporation of the City of Hamilton

We have examined the balance sheet of The Parking Authority of the City of Hamilton as at December 31, 1988 and the statement of operations for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Parking Authority as at December 31, 1988 and the results of its operations for the year then ended in accordance with the accounting principles disclosed in note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Hamilton, Canada
April 14, 1989



PANNELL KERR MACGILLIVRAY
Chartered Accountants

THE CORPORATION OF THE CITY OF HAMILTON

THE PARKING AUTHORITY OF THE CITY OF HAMILTON

BALANCE SHEET
December 31, 1988

	1988 \$	1987 \$
ASSETS		
Current		
Cash	5,265	5,565
Accounts Receivable - Other	5,394	4,753
- City of Hamilton	186,203	211,567
	-----	-----
	196,862	221,885
Capital Outlay - financed by long term liabilities and to be recovered in future years	7,490,000	407,000
	-----	-----
TOTAL ASSETS	7,686,862	628,885
	=====	=====
LIABILITIES		
Current		
Accounts payable	196,862	221,885
Net Long Term		
Due to the City of Hamilton	7,490,000	407,000
	-----	-----
TOTAL LIABILITIES	7,686,862	628,885
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

THE PARKING AUTHORITY OF THE CITY OF HAMILTON

STATEMENT OF OPERATIONS for the year ended December 31, 1988

	1988 \$	1987 \$
REVENUE		
Parking fees		
Off-street parking lots (Schedule 1)	1,604,981	1,451,816
Urban renewal lots (Schedule 2)	19,431	20,095
Other parking areas (Schedule 3)	210,753	186,581
Underground garage (Schedule 4)	1,368,985	1,308,516
Unclassified	11,046	32,529
Administrative costs recovered	119,938	113,639
Interest recovered for parkade	251,648	
TOTAL REVENUE	3,586,782	3,113,176
EXPENDITURE		
Direct		
Off-street parking lots (Schedule 1)	1,133,701	909,733
Urban renewal lots (Schedule 2)	11,479	11,121
Other parking areas (Schedule 3)	248,471	261,341
Underground garage (Schedule 4)	892,931	777,127
	2,286,582	1,959,322
Indirect		
Administration (Schedule 5)	265,134	256,600
General operating (Schedule 5)	188,335	157,023
	453,469	413,623
TOTAL EXPENDITURE	2,740,051	2,372,945
NET OPERATING PROFIT	846,731	740,231
CHARGES FOR LONG TERM LIABILITY		
Principal	117,000	122,500
Interest	384,911	43,671
	501,911	166,171
NET PROFIT/(LOSS)	344,820	574,060
DISPOSITION OF NET PROFIT/(LOSS)		
Reserve for off-street parking (Schedule 1)	(101,468)	108,457
Urban renewal partnership (Schedule 2)	7,952	8,974
City of Hamilton (Schedules 3-4)	280,762	280,739
Ministry of Government Services (Schedule 4)	157,574	175,890
	344,820	574,060

THE CORPORATION OF THE CITY OF HAMILTON

THE PARKING AUTHORITY OF THE CITY OF HAMILTON

NOTES TO THE FINANCIAL STATEMENTS
for the year ended December 31, 1988

1. ACCOUNTING POLICIES

The Parking Authority financial statements are the representation of management prepared in accordance with accounting policies prescribed for Ontario municipalities and their local boards by the Ministry of Municipal Affairs. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgements.

BASIS OF ACCOUNTING

- (i) Revenues and expenditures are reported on the accrual basis of accounting with the exception of principal and interest charges on long term liabilities which are charged against operations in the periods in which they are paid.
- (ii) The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.
- (iii) The historical cost and accumulated depreciation of fixed assets are not recorded for financial statement purposes. Fixed assets are reported as an expenditure on the statement of operations in the year of acquisition.
- (iv) "Capital outlay to be recovered in future years", which represents the outstanding principal portion of unmatured long term liabilities, is reported on the balance sheet.

2. LIABILITY FOR VESTED SICK LEAVE BENEFITS

Effective January 01, 1982 the Income Protection Plan was adopted and sick bank credits earned under the Sick Leave Benefit Plan were frozen. Under the Sick Leave Benefit Plan unused sick leave would accumulate and employees were entitled to cash payment upon termination of services after seven continuous years. Entitlement to cash payment continues to apply to those employees who earned credits under this plan. The liability for these accumulated days, to the extent that they have vested and could be taken in cash by an employee on termination amounted to \$11,252 (1987 - \$16,608) at the end of the year. Cash payments made in lieu of sick leave are included in expenditures of the year in which services are terminated but no provision is made for the year in which the liability is incurred. The current year's expenditure of \$6,873 (1987 - \$46,000) for sick leave liability is not reflected in the Parking Authority's Statement of Operations, but included in the City's Consolidated Statement of Operations.

3. NET LONG TERM LIABILITIES

- (i) Principal payments are due as follows:

	\$
1989	557,012
1990	548,012
1991	553,012
1992	556,012
1993	526,012
Thereafter	4,749,940

	7,490,000
	=====

THE CORPORATION OF THE CITY OF HAMILTON

THE PARKING AUTHORITY OF THE CITY OF HAMILTON

NOTES TO THE FINANCIAL STATEMENTS - (Continued)
for the year ended December 31, 1988

3. NET LONG TERM LIABILITIES - (Continued)

- (ii) Approval of the Ontario Municipal Board has been obtained for the long term liabilities reported on the balance sheet. Sinking fund debentures in the amount of \$7.2 million were issued on the parkade which accounts for the increase over the prior year's liabilities.
- (iii) No provision has been made in these financial statements for the accrual of interest on the net long term liabilities. Had this provision been made, the net profit would have decreased by \$240,902 (1987 - \$7,007).

4. FIXED ASSETS UNDER THE ADMINISTRATION OF THE PARKING AUTHORITY

The land, buildings and equipment of \$21,334,867 (1987 - \$21,401,315) are administered by the Parking Authority on behalf of the Corporation of the City of Hamilton and are not reported on the balance sheet.

5. RESERVES

The financial statements of the Parking Authority reflect the assets, liabilities, revenues and expenditures of its revenue and capital funds. Had the financial statements included the activities of its reserves, the following adjustments would have been made to the financial statements:

	Replacement of Equipment \$	Major Repairs to Mobile Equipment \$	Total \$
Balance, beginning of the year	35,328	11,739	47,067
Provision	12,259	2,452	14,711
Interest	4,138	2,062	6,200
	16,397	4,514	20,911
Expenditures	15,214	0	15,214
Balance, end of the year	36,511	16,253	52,764
Represented by			
Due from the City of Hamilton	36,511	16,253	52,764

REPORT ON SUPPLEMENTARY FINANCIAL INFORMATION

To the Board of Directors of
The Parking Authority of the City of Hamilton,
Members of Council, Inhabitants and Ratepayers of
the Corporation of the City of Hamilton

The supplementary information presented on the following pages has been taken from the accounting records of The Parking Authority of the City of Hamilton which have been subjected to the tests and other auditing procedures applied in our examination of the basic financial statements for the year ended December 31, 1988 upon which we have reported separately as auditors.

In our opinion, such supplementary information is presented fairly in all material respects in relation to the basic financial statements taken as a whole although it is not necessary for a fair presentation of the Parking Authority's financial position or results of operations.

Hamilton, Canada
April 14, 1989

Pannell Kerr MacGillivray
PANNELL KERR MACGILLIVRAY
Chartered Accountants

THE CORPORATION OF THE CITY OF HAMILTON

THE PARKING AUTHORITY OF THE CITY OF HAMILTON

SCHEDULE #1 OF REVENUE AND EXPENDITURE OFF-STREET PARKING LOTS for the year ended December 31, 1988

	John & 1988 \$	Rebecca 1987 \$	Ottawa 1988 \$	Street 1987 \$
REVENUE				
Parking fees	190,622	165,018	128,636	132,996
DIRECT EXPENDITURE				
Attendants' wages	50,959	50,265		
Light and power	2,948	3,023	2,207	2,151
Fuel	424	397		
Meter collection charges			8,469	7,464
Tickets	761	531	300	
Unclassified	58	7	87	33
Repairs and maintenance				
Equipment	1,035	837	8,549	10,524
Grounds	3,636	5,822	5,971	9,429
Buildings	322	322		
Realty and business taxes	47,766	44,964	35,010	32,957
Rent				
Equipment				
	107,909	106,168	60,593	62,558
NET OPERATING PROFIT/(LOSS)	82,713	58,850	68,043	70,438

	32 Emerald S. 1988 \$	1987 \$	Kenilworth 1988 \$	1987 \$
REVENUE				
Parking fees	11,428	11,495	17,049	29,771
DIRECT EXPENDITURE				
Attendants' wages				
Light and power	185	177	551	400
Fuel				
Meter collection charges	403	373	2,662	2,463
Tickets				
Unclassified	51		87	33
Repairs and maintenance				
Equipment			2,324	2,139
Grounds	419	282	1,638	2,890
Buildings		584		
Realty and business taxes	3,555	3,346	12,210	11,494
Rent				
Equipment				
	4,613	4,762	19,472	19,419
NET OPERATING PROFIT/(LOSS)	6,815	6,733	(2,423)	10,352

THE CORPORATION OF THE CITY OF HAMILTON

THE PARKING AUTHORITY OF THE CITY OF HAMILTON

SCHEDULE #1 OF REVENUE AND EXPENDITURE - (Continued)
OFF-STREET PARKING LOTS
for year ending December 31, 1988

	King 1988 \$	William & Mary 1987 \$	Jackson 1988 \$	& McNab 1987 \$
REVENUE				
Parking fees	117,227	124,377		44,387
DIRECT EXPENDITURE				
Attendants' wages	39,926	36,906		14,521
Light and power	1,769	1,826		372
Fuel				
Meter collection charges				
Tickets	835	692		338
Unclassified	51			
Repairs and maintenance				
Equipment	376	559		172
Grounds	1,838	3,182		1,503
Buildings		193		
Realty and business taxes	27,361	25,756		15,468
Rent				
Equipment				
	72,156	69,114	0	32,374
NET OPERATING PROFIT/(LOSS)	45,071	55,263	0	12,013

	Main & 1988 \$	Ferguson 1987 \$	King & 1988 \$	Jarvis 1987 \$
REVENUE				
Parking fees	73,589	74,641	29,232	42,721
DIRECT EXPENDITURE				
Attendants' wages				
Light and power	1,211	1,293	365	455
Fuel				
Meter collection charges	2,823	2,612	1,976	1,829
Tickets				
Unclassified	51		51	7
Repairs and maintenance				
Equipment	2,384	2,617	1,808	1,556
Grounds	1,340	2,273	936	1,591
Buildings				
Realty and business taxes	35,805	33,705	25,912	24,371
Rent				
Equipment				
	43,614	42,500	31,048	29,809
NET OPERATING PROFIT/(LOSS)	29,975	32,141	(1,816)	12,912

THE CORPORATION OF THE CITY OF HAMILTON

THE PARKING AUTHORITY OF THE CITY OF HAMILTON

SCHEDULE #1 OF REVENUE AND EXPENDITURE - (Continued)
OFF-STREET PARKING LOTS
for the year ending December 31, 1988

	Upper 1988 \$	Wellington 1987 \$	Main & 1988 \$	Garside 1987 \$
REVENUE				
Parking fees	9,793	10,293	8,210	10,410
DIRECT EXPENDITURE				
Attendants' wages				
Light and power	532	508	305	291
Fuel				
Meter collection charges	565	522	726	672
Tickets				
Unclassified	51		65	13
Repairs and maintenance				
Equipment	1,073	806	684	558
Grounds	479	844	331	584
Buildings				
Realty and business taxes	4,850	4,545	4,650	4,362
Rent				
Equipment				
	7,550	7,225	6,761	6,480
NET OPERATING PROFIT/(LOSS)	2,243	3,068	1,449	3,930
	168 1988 \$	Sherman 1987 \$	North 1988 \$	Barton & 1988 \$
REVENUE				
Parking fees	4,963	6,034	22,412	26,370
DIRECT EXPENDITURE				
Attendants' wages				
Light and power	650	514	1,416	1,373
Fuel				
Meter collection charges	403	373	3,106	2,762
Tickets				
Unclassified	58	7	94	40
Repairs and maintenance				
Equipment		172	2,487	2,834
Grounds	332	584	1,638	2,792
Buildings				
Realty and business taxes	2,317	2,181	13,292	12,513
Rent				
Equipment				
	3,760	3,831	22,033	22,314
NET OPERATING PROFIT/(LOSS)	1,203	2,203	379	4,056

THE CORPORATION OF THE CITY OF HAMILTON

THE PARKING AUTHORITY OF THE CITY OF HAMILTON

SCHEDULE #1 OF REVENUE AND EXPENDITURE - (Continued)
OFF-STREET PARKING LOTS
for the year ending December 31, 1988

	Main & 1988 \$	Balmoral 1987 \$	Main & 1988 \$	Huxley 1987 \$
REVENUE				
Parking fees	9,503	10,045	10,720	11,631
DIRECT EXPENDITURE				
Attendants' wages				
Light and power	269	257	249	237
Fuel				
Meter collection charges	403	373	807	746
Tickets				
Unclassified	51		51	
Repairs and maintenance				
Equipment		353	624	676
Grounds	368	649	368	649
Buildings				
Realty and business taxes	2,357	2,219	4,964	4,655
Rent				
Equipment				
	3,448	3,851	7,063	6,963
NET OPERATING PROFIT/(LOSS)	6,055	6,194	3,657	4,668

	Main & 1988 \$	Ottawa 1987 \$	Upper James & Brantdale 1988 \$	1987 \$
REVENUE				
Parking fees	5,104	4,851	10,334	12,075
DIRECT EXPENDITURE				
Attendants' wages				
Light and power	385	368	425	405
Fuel				
Meter collection charges	403	373	645	1,679
Tickets				
Unclassified	58	7	51	
Repairs and maintenance				
Equipment	463		259	394
Grounds	523	877	755	1,331
Buildings				
Realty and business taxes	4,999	4,706	10,303	9,676
Rent				
Equipment				
	6,831	6,331	12,438	13,485
NET OPERATING PROFIT/(LOSS)	(1,727)	(1,480)	(2,104)	(1,410)

THE CORPORATION OF THE CITY OF HAMILTON

THE PARKING AUTHORITY OF THE CITY OF HAMILTON

SCHEDULE #1 OF REVENUE AND EXPENDITURE - (Continued)
OFF-STREET PARKING LOTS
for the year ending December 31, 1988

	Main & 1988 \$	Tuxedo 1987 \$	King West 1988 \$	& Locke 1987 \$
REVENUE				
Parking fees	12,919	11,868	1,632	2,358
DIRECT EXPENDITURE				
Attendants' wages				
Light and power	249	237	244	233
Fuel				
Meter collection charges	928	858	565	522
Tickets				
Unclassified	65	13	51	
Repairs and maintenance				
Equipment	717	713	828	434
Grounds	423	803	258	455
Buildings				
Realty and business taxes	5,982	5,602	3,323	3,091
Rent				
Equipment				
	8,364	8,226	5,269	4,735
NET OPERATING PROFIT/(LOSS)	4,555	3,642	(3,637)	(2,377)

	York Boulevard Parkade 1988 \$	1987 \$	Pipeline Kenilworth 1988 \$	1987 \$
REVENUE				
Parking fees	391,582	101,416	981	1,614
DIRECT EXPENDITURE				
Attendants' wages	94,258	18,863		
Light, power and utilities	26,259	2,453		
Operating Supplies	1,037	1,596		
Meter collection charges			524	485
Tickets				
Unclassified	108	20	65	13
Repairs and maintenance				
Equipment	11,028	1,175	169	174
Grounds				942
Buildings	10,917	1,357	534	
Realty and business taxes	213,481	40,743	3,855	3,629
Rent			638	638
Equipment	84	875		
	357,172	67,082	5,785	5,881
NET OPERATING PROFIT/(LOSS)	34,410	34,334	(4,804)	(4,267)

THE CORPORATION OF THE CITY OF HAMILTON

THE PARKING AUTHORITY OF THE CITY OF HAMILTON

SCHEDULE #1 OF REVENUE AND EXPENDITURE - (Continued)
OFF-STREET PARKING LOTS
for the year ended December 31, 1988

	Wilson 1988 \$	& Mary 1987 \$	56 Kenilworth Avenue North 1988 \$	1987 \$
REVENUE				
Parking fees	5,831	5,914	2,668	2,770
DIRECT EXPENDITURE				
Attendants' wages				
Light and power	450	429	133	128
Fuel				
Meter collection charges	403	373	403	373
Tickets				
Unclassified	58	7	51	
Repairs and maintenance				
Equipment	674	11	312	467
Grounds	402	649	184	325
Buildings				
Realty and business taxes	1,745	1,642	1,855	1,746
Rent				
Equipment				
	3,732	3,111	2,938	3,039
NET OPERATING PROFIT/(LOSS)	2,099	2,803	(270)	(269)

	East 1988 \$	Avenue 1987 \$	Upper James & Genesee 1988 \$	1987 \$
REVENUE				
Parking fees	5,209	7,461	27,984	30,748
DIRECT EXPENDITURE				
Attendants' wages				
Light and power	260	248	682	652
Fuel				
Meter collection charges	403	373	1,896	1,754
Tickets				
Unclassified	65	13	65	13
Repairs and maintenance				
Equipment	54	312	1,466	1,486
Grounds	368	649	865	1,526
Buildings				
Realty and business taxes	3,555	3,346	8,347	7,857
Rent				
Equipment				
	4,705	4,941	13,321	13,288
NET OPERATING PROFIT/(LOSS)	504	2,520	14,663	17,460

THE CORPORATION OF THE CITY OF HAMILTON

THE PARKING AUTHORITY OF THE CITY OF HAMILTON

SCHEDULE #1 OF REVENUE AND EXPENDITURE - (Continued)
OFF-STREET PARKING LOTS
for the year ended December 31, 1988

	Main & Cope 1988 \$	1987 \$	East 21st Street 1988 \$	1987 \$
REVENUE				
Parking fees	4,568	4,645	5,444	3,180
DIRECT EXPENDITURE				
Attendants' wages				
Light and power	69	67	499	386
Fuel				
Meter collection charges	363	336	403	373
Tickets				
Unclassified	51		65	7
Repairs and maintenance				
Equipment	1,040	839		186
Grounds	166	292	442	779
Buildings				
Realty and business taxes	2,719	2,560	4,636	4,364
Rent				
Equipment				
	4,408	4,094	6,045	6,095
NET OPERATING PROFIT/(LOSS)	160	551	(601)	(2,915)

	Mulberry 1988 \$	Street 1987 \$
REVENUE		
Parking fees	22,022	16,537
DIRECT EXPENDITURE		
Attendants' wages		
Light and power	1,932	1,842
Fuel		
Meter collection charges	403	373
Tickets		
Unclassified	58	7
Repairs and maintenance		
Equipment	168	348
Grounds	1,757	1,753
Buildings		
Realty and business taxes	6,261	5,747
Rent		600
Equipment		
	10,579	10,670
NET OPERATING PROFIT/(LOSS)	11,443	5,867

THE CORPORATION OF THE CITY OF HAMILTON

THE PARKING AUTHORITY OF THE CITY OF HAMILTON

SCHEDULE #1 OF REVENUE AND EXPENDITURE - (Continued)
OFF-STREET PARKING LOTS
for the year ended December 31, 1988

	Barton & Grosvenor		1366 Street	Main East
	1988	1987	1988	1987
	\$	\$	\$	\$
REVENUE				
Parking fees	21,593	20,170	9,087	8,887
	-----	-----	-----	-----
DIRECT EXPENDITURE				
Attendants' wages				
Light and power	1,487	1,420	60	54
Fuel				
Meter collection charges	1,653	1,530	564	522
Tickets				
Unclassified	73	20	51	
Repairs and maintenance				
Equipment	1,511	1,459	931	1,233
Grounds	976	1,786	292	520
Buildings				
Realty and business taxes	6,769	6,372	5,644	797
Rent				
Equipment				
	-----	-----	-----	-----
	12,469	12,587	7,542	3,126
	-----	-----	-----	-----
NET OPERATING PROFIT/(LOSS)	9,124	7,583	1,545	5,761
	=====	=====	=====	=====

	Barton & Birch		Kenilworth & Newlands	
	1988	1987	1988	1987
	\$	\$	\$	\$
REVENUE				
Parking fees	12,917	15,110	4,484	5,301
	-----	-----	-----	-----
DIRECT EXPENDITURE				
Attendants' wages				
Light and power	435	414	407	388
Fuel				
Meter collection charges	403	373	403	373
Tickets				
Unclassified	51		73	20
Repairs and maintenance				
Equipment			34	
Grounds	755	1,331	368	649
Buildings				
Realty and business taxes	627	591	864	4,157
Rent	1,368	1,368		
Equipment				
	-----	-----	-----	-----
	3,639	4,077	2,149	5,587
	-----	-----	-----	-----
NET OPERATING PROFIT/(LOSS)	9,278	11,033	2,335	(286)
	=====	=====	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

THE PARKING AUTHORITY OF THE CITY OF HAMILTON

SCHEDULE #1 OF REVENUE AND EXPENDITURE - (Continued)
OFF-STREET PARKING LOTS
for the year ended December 31, 1988

	Barton 1988 \$	& Emerald 1987 \$	540 Barton 1988 \$	East 1987 \$
REVENUE				
Parking fees	2,820	2,153	8,590	9,107
	-----	-----	-----	-----
DIRECT EXPENDITURE				
Attendants' wages				
Light and power	264	252	224	213
Fuel				
Meter collection charges	565	522	806	746
Tickets				
Unclassified	51		58	7
Repairs and maintenance				
Equipment	497	490	624	620
Grounds	258	455	402	649
Buildings				
Realty and business taxes	2,223	2,094	2,880	2,690
Rent				
Equipment				
	-----	-----	-----	-----
	3,858	3,813	4,994	4,925
	-----	-----	-----	-----
NET OPERATING PROFIT/(LOSS)	(1,038)	(1,660)	3,596	4,182
	=====	=====	=====	=====
	Barton 1988 \$	& William 1987 \$	Barton & Barnesdale 1988 \$	Barnesdale 1987 \$
REVENUE				
Parking fees	7,333	7,749	2,317	2,697
	-----	-----	-----	-----
DIRECT EXPENDITURE				
Attendants' wages				
Light and power	729	611	184	175
Fuel				
Meter collection charges	1,049	970	403	373
Tickets				
Unclassified	65	13	51	
Repairs and maintenance				
Equipment	698	513	159	268
Grounds	663	1,168	386	682
Buildings				
Realty and business taxes	5,600	5,272	2,934	2,741
Rent				
Equipment				
	-----	-----	-----	-----
	8,804	8,547	4,117	4,239
	-----	-----	-----	-----
NET OPERATING PROFIT/(LOSS)	(1,471)	(798)	(1,800)	(1,542)
	=====	=====	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

THE PARKING AUTHORITY OF THE CITY OF HAMILTON

SCHEDULE #1 OF REVENUE AND EXPENDITURE - (Continued)
OFF-STREET PARKING LOTS
for the year ended December 31, 1988

	Barton & 1988 \$	Caroline 1987 \$	Cannon & 1988 \$	Birch 1987 \$
REVENUE				
Parking fees	7,502	6,016	3,691	3,000
DIRECT EXPENDITURE				
Attendants' wages				
Light and power	1,206	1,015	191	182
Fuel				
Meter collection charges	403	373		
Tickets				
Unclassified	51		51	
Repairs and maintenance				
Equipment				
Grounds	865	1,526	552	974
Buildings				
Realty and business taxes	5,951	5,602	748	704
Rent			1,560	1,440
Equipment				
	8,476	8,516	3,102	3,300
NET OPERATING PROFIT/(LOSS)	(974)	(2,500)	589	(300)

	76 Parkdale Avenue North 1988 \$	1987 \$	King William & Ferguson 1988 \$	1987 \$
REVENUE				
Parking fees	130	909	81,294	89,781
DIRECT EXPENDITURE				
Attendants' wages				
Light and power	27	152	1,210	1,155
Fuel				
Meter collection charges	67	373	403	373
Tickets			640	3,042
Unclassified	51		65	13
Repairs and maintenance				
Equipment		102	404	145
Grounds		714	3,154	5,487
Buildings				
Realty and business taxes	511	2,888	44,675	42,054
Rent				
Equipment				
	656	4,229	50,551	52,269
NET OPERATING PROFIT/(LOSS)	(526)	(3,320)	30,743	37,512

THE CORPORATION OF THE CITY OF HAMILTON

THE PARKING AUTHORITY OF THE CITY OF HAMILTON

SCHEDULE #1 OF REVENUE AND EXPENDITURE - (Continued)
OFF-STREET PARKING LOTS
for the year ended December 31, 1988

	897 Barton East 1988 \$	1987 \$	18 Main East 1988 \$	1987 \$
REVENUE				
Parking fees	1,321	710	194,318	189,942
DIRECT EXPENDITURE				
Attendants' wages			35,709	34,157
Light and power	488	465	3,361	698
Fuel				
Meter collection charges	403	373		
Tickets			655	1,522
Unclassified	51		51	
Repairs and maintenance				
Equipment	54		302	431
Grounds	221	390	1,392	2,013
Buildings			15	186
Realty and business taxes	2,163	2,036	67,321	63,373
Rent				
Equipment				
	3,380	3,264	108,806	102,380
NET OPERATING PROFIT/(LOSS)	(2,059)	(2,554)	85,512	87,562
	MacNab & York 1988 \$	1987 \$	Parkdale & Brittania 1988 \$	1987 \$
REVENUE				
Parking fees		64,103	1,142	1,968
DIRECT EXPENDITURE				
Attendants' wages		11,184		
Light and power		588	86	83
Fuel				
Meter collection charges			403	373
Tickets		1,207		
Unclassified			58	7
Repairs and maintenance				
Equipment		745		208
Grounds		5,387	424	747
Buildings		36		
Realty and business taxes		26,738	2,804	2,640
Rent				
Equipment				
	0	45,885	3,775	4,058
NET OPERATING PROFIT/(LOSS)	0	18,218	(2,633)	(2,090)

THE CORPORATION OF THE CITY OF HAMILTON

THE PARKING AUTHORITY OF THE CITY OF HAMILTON

SCHEDULE #1 OF REVENUE AND EXPENDITURE - (Continued)
OFF-STREET PARKING LOTS
for the year ended December 31, 1988

	14 Vine Street 1988 \$	Street 1987 \$	1366-68 Street 1988 \$	Barton East 1987 \$
REVENUE				
Parking fees	115,132	117,612	1,648	975
DIRECT EXPENDITURE				
Attendants' wages	37,054	23,295		
Light and power	1,997	1,203	191	182
Fuel				
Meter collection charges		746	403	373
Tickets	(1,141)	3,649		
Unclassified	51		51	
Repairs and maintenance				
Equipment	372	1,530	61	133
Grounds	2,712	7,112	405	714
Buildings				
Realty and business taxes	29,834	28,084	3,786	3,564
Rent				
Equipment				
	70,879	65,619	4,897	4,966
NET OPERATING PROFIT/(LOSS)	44,253	51,993	(3,249)	(3,991)

THE CORPORATION OF THE CITY OF HAMILTON

THE PARKING AUTHORITY OF THE CITY OF HAMILTON

SCHEDULE #1 OF REVENUE AND EXPENDITURE - (Continued)
OFF-STREET PARKING LOTS
for the year ended December 31, 1988

	Totals	
	1988	1987
	\$	\$
REVENUE		
Parking fees	1,604,981	1,451,816

DIRECT EXPENDITURE		
Attendants' wages	257,906	189,191
Light, power and utilities	56,791	29,575
Fuel	424	397
Operating supplies	1,037	1,596
Meter collection charges	37,610	36,454
Tickets	2,050	10,981
Unclassified	2,570	320
Repairs and maintenance		
Equipment	44,169	38,219
Grounds	39,262	75,759
Buildings	11,788	2,678
Realty and business taxes	676,444	519,642
Rent	3,566	4,046
Equipment	84	875

	1,133,701	909,733

NET OPERATING PROFIT	471,280	542,083

INDIRECT EXPENDITURE AND DEBT CHARGES	955,379	579,794
Less other revenues	382,631	146,168

	572,748	433,626

NET PROFIT/(LOSS)	(101,468)	108,457
=====		
DISPOSITION OF NET PROFIT/(LOSS)		
Reserve for off-street parking	(101,468)	108,457
=====		

THE CORPORATION OF THE CITY OF HAMILTON

THE PARKING AUTHORITY OF THE CITY OF HAMILTON

SCHEDULE #2 OF REVENUE AND EXPENDITURE
URBAN RENEWAL LOTS
forthe year ended December 31, 1988

	James & Wilson 1988 \$	1987 \$
REVENUE		
Parking fees	19,431	20,095
DIRECT EXPENDITURE		
Administrative charges	1,457	1,507
Attendants' wages		
Light and power	133	128
Meter collection charges	565	522
Unclassified	51	
Repairs and maintenance		
Equipment	437	434
Grounds	258	455
Realty and business taxes	8,578	8,075
	11,479	11,121
NET OPERATING PROFIT	7,952	8,974
DISPOSITION OF NET PROFIT		
Urban renewal partnership	7,952	8,974

THE CORPORATION OF THE CITY OF HAMILTON

THE PARKING AUTHORITY OF THE CITY OF HAMILTON

SCHEDULE #3 OF REVENUE AND EXPENDITURE
OTHER PARKING AREAS
for the year ended December 31, 1988

	Bay & 1988 \$	Cannon 1987 \$	City 1988 \$	Hall 1987 \$	Queen - 1988 \$	Hess 1987 \$
REVENUE						
Parking fees	26,889	26,991	118,045	105,818	56,852	37,042
DIRECT EXPENDITURES						
Administrative charges	2,017	2,024	8,853	7,936	4,264	2,778
Attendants' wages	831	1,343			704	3,455
Light and power	1,334	1,263			1,572	1,600
Meter collection charges	403		9,962	9,218		
Unclassified	51		51		51	
Tickets		169				338
Repairs and maintenance						
Equipment	673	853	12,738	12,102	2,903	2,682
Grounds	1,638	3,411	10,451	12,648	4,589	6,272
Buildings		3				
Realty and business taxes	21,872	20,589	75,523	71,093	75,437	71,012
	28,819	29,655	117,578	112,997	89,520	88,137
NET OPERATING PROFIT/(LOSS)	(1,930)	(2,664)	467	(7,179)	(32,668)	(51,095)

	Century 1988 \$	Street 1987 \$	253 York 1988 \$	Boulevard 1987 \$	16 Magill 1988 \$	
REVENUE						
Parking fees	2,659	2,546	2,601	10,554	3,707	3,630
DIRECT EXPENDITURES						
Administrative charges	199	191	195	792	278	272
Attendants' wages						
Light and power			44	252	188	135
Meter collection charges			50	373	403	
Unclassified	51		25		58	
Tickets						
Repairs and maintenance						
Equipment			168	298		533
Grounds	350	617		1,365	405	714
Buildings						
Realty and business taxes	3,203	3,015	2,454	18,479	4,483	3,516
	3,803	3,823	2,936	21,559	5,815	5,170
NET OPERATING PROFIT/(LOSS)	(1,144)	(1,277)	(335)	(11,005)	(2,108)	(1,540)

THE CORPORATION OF THE CITY OF HAMILTON

THE PARKING AUTHORITY OF THE CITY OF HAMILTON

SCHEDULE #3 OF REVENUE AND EXPENDITURE - (Continued)
OTHER PARKING AREAS
for the year ended December 31, 1988

	Totals	
	1988	1987
	\$	\$
REVENUE		
Parking fees	210,753	186,581
	-----	-----
DIRECT EXPENDITURE		
Administrative charges	15,806	13,993
Attendants' wages	1,535	4,798
Light and power	3,138	3,250
Meter collection charges	10,818	9,591
Unclassified	287	
Tickets		507
Repairs and maintenance		
Equipment	16,482	16,468
Grounds	17,433	25,027
Buildings		3
Realty and business taxes	182,972	187,704
	-----	-----
	248,471	261,341
	-----	-----
NET OPERATING PROFIT/(LOSS)	(37,718)	(74,760)
	=====	=====
DISPOSITION OF NET PROFIT/(LOSS)		
City of Hamilton	(37,718)	(74,760)
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

THE PARKING AUTHORITY OF THE CITY OF HAMILTON

SCHEDULE #4 OF REVENUE AND EXPENDITURE
LLOYD D. JACKSON SQUARE
UNDERGROUND GARAGE
for the year ended December 31, 1988

	Ministry of Government Services	City of Hamilton	Totals 1988 \$	1987 \$
REVENUE				
Parking fees	453,134	915,851	1,368,985	1,308,516
DIRECT EXPENDITURE				
Administration charges	33,985	68,689	102,674	98,139
Attendants' wages	99,336	200,773	300,109	260,875
Light, power and utilities	54,721	110,598	165,319	154,172
Unclassified	1,205	2,437	3,642	3,789
Repairs and maintenance	16,961	34,282	51,243	34,093
Realty and business taxes	71,865	145,249	217,114	204,379
Operating equipment	9,447	19,093	28,540	9,942
Insurance	4,068	8,222	12,290	11,738
Consultant's Fee	3,972	8,028	12,000	
	295,560	597,371	892,931	777,127
NET OPERATING PROFIT/(LOSS)	157,574	318,480	476,054	531,389
DISPOSITION OF NET PROFIT/(LOSS)				
City of Hamilton 66.9%		318,480	318,480	355,499
Ministry of Government Services 33.1%	157,574		157,574	175,890
	157,574	318,480	476,054	531,389

THE CORPORATION OF THE CITY OF HAMILTON

THE PARKING AUTHORITY OF THE CITY OF HAMILTON

SCHEDULE #5 OF INDIRECT EXPENDITURE
for the year ended December 31, 1988

	1988 \$	1987 \$
ADMINISTRATION		
Salaries - office	148,805	148,100
Employees' benefits	46,277	38,928
Telephone	4,696	3,259
Advertising and publicity	1,840	2,868
Postage	936	1,277
Stationery and office supplies	5,554	6,617
Miscellaneous expenditures	4,876	5,367
Insurance	2,777	6,689
Professional fees	1,854	1,798
Office equipment	15,109	14,290
Office rent	20,288	19,029
Travelling	10,712	8,378
Consultants fee	1,410	
	-----	-----
	265,134	256,600
	-----	-----
GENERAL OPERATING		
Salaries	137,811	103,116
Telephone	3,153	2,659
Cleaning supplies	2,070	1,279
Operating supplies	13,498	11,117
Maintenance - automotive equipment	6,115	9,857
Operating equipment	6,887	2,436
Provision for replacement and repairs	18,801	7,893
Automotive equipment		18,666
	-----	-----
	188,335	157,023
	-----	-----
TOTAL INDIRECT EXPENDITURE	453,469	413,623
	=====	=====

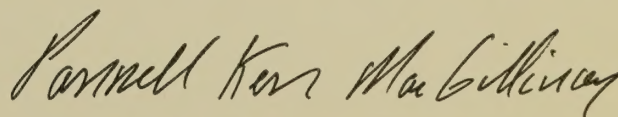
AUDITORS' REPORT

To the Board of Management of the
Barton General Business Improvement
Area, Members of Council, Inhabitants
and Ratepayers of the Corporation of
the City of Hamilton

We have examined the balance sheet of the Barton General Business Improvement Area as at December 31, 1988 and the statement of revenue and expenditure and members' equity for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion these financial statements present fairly the financial position of the organization as at December 31, 1988 and the results of its operations for the year then ended in accordance with the accounting principles disclosed in the note to the financial statements applied on a basis consistent with that of the preceding year.

Hamilton, Canada
March 23, 1989



PANNELL KERR MACGILLIVRAY
Chartered Accountants

THE CORPORATION OF THE CITY OF HAMILTON

BARTON GENERAL BUSINESS IMPROVEMENT AREA

BALANCE SHEET
December 31, 1988

	1988	1987
	\$	\$
ASSETS		
Current		
Cash	2,733	0
B.I.A. levies receivable	1,021	0
	-----	-----
	3,754	0
	=====	=====
LIABILITIES AND MEMBERS' EQUITY		
Current		
Accounts payable and accrued liabilities	360	0
Accounts payable - City of Hamilton	480	0
	-----	-----
	840	0
MEMBERS' EQUITY	2,914	0
	-----	-----
	3,754	0
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

BARTON GENERAL BUSINESS IMPROVEMENT AREA

STATEMENT OF REVENUE AND EXPENDITURE
AND MEMBERS' EQUITY
for the year ended December 31, 1988

	1988	1987
	\$	\$
REVENUE		
B.I.A. assessment levy	6,541	0
Interest	65	0
	-----	-----
	6,606	0
	-----	-----
EXPENDITURE		
Promotion	1,731	0
Office	316	0
Audit fees	235	0
Beautification	800	0
Banquet	600	0
Bank charges	10	0
	-----	-----
	3,692	0
	-----	-----
EXCESS OF REVENUE OVER EXPENDITURE FOR THE YEAR	2,914	0
MEMBERS' EQUITY - Beginning of year	0	0
	-----	-----
MEMBERS' EQUITY - End of year	2,914	0
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

BARTON GENERAL BUSINESS IMPROVEMENT AREA

NOTE TO FINANCIAL STATEMENTS
for the year ended December 31, 1988

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

Revenue and expenditure are recorded on the accrual basis. The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(b) Fixed Assets

The historical cost and accumulated depreciation for fixed assets are not recorded. Fixed assets are reported as expenditures in the year of acquisition.

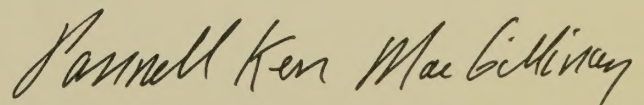
AUDITORS' REPORT

To the Board of Management of the
Concession Street Business Improvement
Area, Members of Council, Inhabitants
and Ratepayers of the Corporation of
the City of Hamilton

We have examined the balance sheet of the Concession Street Business Improvement Area as at December 31, 1988 and the statement of revenue and expenditure and members' equity for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the organization as at December 31, 1988 and the results of its operations for the year then ended in accordance with the accounting principles disclosed in the note to the financial statements applied on a basis consistent with that of the preceding year.

Hamilton, Canada
March 22, 1989



PANNELL KERR MACGILLIVRAY
Chartered Accountants

THE CORPORATION OF THE CITY OF HAMILTON

CONCESSION STREET BUSINESS IMPROVEMENT AREA

BALANCE SHEET
December 31, 1988

	1988	1987
	\$	\$
ASSETS		
Current		
Cash	3,646	791
BIA levies receivable	1,614	2,359
Prepaid expenses	2,432	668
	-----	-----
	7,692	3,818
	=====	=====
LIABILITIES AND MEMBERS' EQUITY		
Current		
Accrued liabilities	220	210
Accounts payable - City of Hamilton	1,059	1,421
	-----	-----
	1,279	1,631
MEMBERS' EQUITY - End of year	6,413	2,187
	-----	-----
	7,692	3,818
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

CONCESSION STREET BUSINESS IMPROVEMENT AREA

STATEMENT OF REVENUE AND EXPENDITURE
AND MEMBERS' EQUITY
for the year ended December 31, 1988

	1988	1987
	\$	\$
REVENUE		
B.I.A. assessment levy	15,864	13,766
Government grants	963	1,000
Summer festival		1,534
Interest	53	
	-----	-----
	16,880	16,300
	-----	-----
EXPENDITURE		
Promotion	2,866	4,606
Christmas decorations	605	2,371
Summer festival		1,288
Promotion re festival	6,036	4,112
Newsletter		159
Office supplies	58	139
Audit fees	220	220
Rent	1,800	
Insurance	450	438
Bank charges	36	32
Miscellaneous	583	482
	-----	-----
	12,654	13,847
	-----	-----
EXCESS OF REVENUE OVER EXPENDITURE FOR THE YEAR	4,226	2,453
MEMBERS' (DEFICIENCY) EQUITY - Beginning of year	2,187	(266)
	-----	-----
MEMBERS' EQUITY - End of year	6,413	2,187
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

CONCESSION STREET BUSINESS IMPROVEMENT AREA

NOTE TO FINANCIAL STATEMENTS
for the year ended December 31, 1988

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

Revenue and expenditure are recorded on the accrual basis. The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(b) Fixed Assets

The historical cost and accumulated depreciation for fixed assets are not recorded. Fixed assets are reported as expenditures in the year of acquisition.

AUDITORS' REPORT

To the Board of Management of the
Downtown Hamilton Business Improvement
Area, Members of Council, Inhabitants
and Ratepayers of the Corporation of
the City of Hamilton

We have examined the balance sheet of the Downtown Hamilton Business Improvement Area as at December 31, 1988 and the statement of revenue and expenditure and members' equity for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the organization as at December 31, 1988 and the results of its operations for the year then ended in accordance with the accounting principles disclosed in note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Pannell Kerr MacGillivray

Hamilton, Canada
April 4, 1989

PANNELL KERR MACGILLIVRAY
Chartered Accountants

THE CORPORATION OF THE CITY OF HAMILTON

DOWNTOWN HAMILTON BUSINESS IMPROVEMENT AREA

BALANCE SHEET
December 31, 1988

	1988	1987
	\$	\$
ASSETS		
Current		
Cash	16,385	23,487
Restricted funds (short term deposits)	19,644	18,233
Accounts receivable	14,104	9,350
B.I.A. assessment levy receivable	23,530	11,002
Prepaid expenses	161	187
	-----	-----
	73,824	62,259
	=====	=====
LIABILITIES AND MEMBERS' EQUITY		
Current		
Accounts payable and accrued liabilities	22,009	13,403
Accounts payable - City of Hamilton	18,575	3,608
	-----	-----
	40,584	17,011
MEMBERS' EQUITY	33,240	45,248
	-----	-----
	73,824	62,259
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

DOWNTOWN HAMILTON BUSINESS IMPROVEMENT AREA

STATEMENT OF REVENUE AND EXPENDITURE AND MEMBERS' EQUITY for the year ended December 31, 1988

	1988 \$	1987 \$
REVENUE		
B.I.A. assessment levy	196,092	150,698
Government grants	3,770	0
Interest	3,853	1,892
Grant from City re Christmas lights	1,000	1,000
Other	4,452	610
	-----	-----
	209,167	154,200
	-----	-----
EXPENDITURE		
Management fees	35,539	39,642
Administration	12,759	14,947
Promotion	28,760	38,384
Bad debts	5,609	1,125
Miscellaneous	164	54
Service charges	120	8
Wages	20,101	0
Project cost	118,123	21,398
	-----	-----
	221,175	115,558
	-----	-----
EXCESS OF REVENUE OVER EXPENDITURE (EXPENDITURE OVER REVENUE) FOR THE YEAR	(12,008)	38,642
MEMBERS' EQUITY - Beginning of year	45,248	15,782
	-----	-----
MEMBERS' EQUITY - End of year	33,240	54,424
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

DOWNTOWN HAMILTON BUSINESS IMPROVEMENT AREA

NOTES TO FINANCIAL STATEMENTS
for the year ended December 31, 1988

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

Revenue and expenditure are recorded on the accrual basis. The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(b) Fixed Assets

The historical cost and accumulated depreciation for fixed assets are not recorded. Fixed assets are reported as expenditures in the year of acquisition.

2. COMPARATIVE FIGURES

Certain reclassifications of comparative figures have been made to conform to the financial statement presentation adopted in 1988.

AUDITORS' REPORT

To the Board of Management of the
International Village Business Improvement
Area, Members of Council, Inhabitants
and Ratepayers of the Corporation of
the City of Hamilton

We have examined the balance sheet of the International Village Business Improvement Area as at December 31, 1988 and the statement of revenue and expenditure and members' equity for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion these financial statements present fairly the financial position of the organization as at December 31, 1988 and the results of its operations for the year then ended in accordance with the accounting principles disclosed in note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Pannell Kerr MacGillivray

Hamilton, Canada
April 3, 1989

PANNELL KERR MACGILLIVRAY
Chartered Accountants

THE CORPORATION OF THE CITY OF HAMILTON

INTERNATIONAL VILLAGE BUSINESS IMPROVEMENT AREA

BALANCE SHEET
December 31, 1988

	1988	1987
	\$	\$
ASSETS		
Current		
Cash	57,731	44,932
B.I.A. levies receivable	19,972	19,051
Accounts receivable	498	0
Prepaid expenses	451	583
	-----	-----
	78,652	64,566
	=====	=====
LIABILITIES AND MEMBERS' EQUITY		
Current		
Accounts payable and accrued liabilities	30,204	5,242
Accounts payable - City of Hamilton	19,232	12,715
	-----	-----
	49,436	17,957
MEMBERS' EQUITY	29,216	46,609
	-----	-----
	78,652	64,566
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

INTERNATIONAL VILLAGE BUSINESS IMPROVEMENT AREA

STATEMENT OF REVENUE AND EXPENDITURE AND MEMBERS' EQUITY for the year ended December 31, 1988

	1988 \$	1987 \$
REVENUE		
B.I.A. assessment levy	64,676	73,002
Interest	3,110	0
Grant revenue	630	1,000
Miscellaneous	40	0
	-----	-----
	68,456	74,002
	-----	-----
EXPENDITURE		
Advertising	21,736	25,266
Promotion	37,320	30,017
Insurance	585	583
Audit fees	230	210
Miscellaneous	714	99
Casual labour	18	446
K.Porter settlement	0	4,000
Bad debts	0	2,000
Christmas decorations	24,646	0
Office	600	0
	-----	-----
	85,849	62,621
	-----	-----
EXCESS OF REVENUE OVER EXPENDITURE (EXPENDITURE OVER REVENUE) FOR THE YEAR	(17,393)	11,381
MEMBERS' EQUITY - Beginning of year	46,609	35,228
	-----	-----
MEMBERS' EQUITY - End of year	29,216	46,609
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

INTERNATIONAL VILLAGE BUSINESS IMPROVEMENT AREA

NOTES TO FINANCIAL STATEMENTS
for the year ended December 31, 1988

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

Revenue and expenditure are recorded on the accrual basis. The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(b) Fixed Assets

The historical cost and accumulated depreciation for fixed assets are not recorded. Fixed assets are reported as expenditures in the year of acquisition.

2. COMMITMENT

The organization has entered into a one-year contract with a company to arrange advertising and other promotional activities. The estimated future payments under this contract total \$7,350.

AUDITORS' REPORT

To the Board of Management of the
Jamesville Business Improvement
Area, Members of Council, Inhabitants
and Ratepayers of the Corporation of
the City of Hamilton

We have examined the balance sheet of the Jamesville Business Improvement Area as at December 31, 1988 and the statement of revenue and expenditure and members' equity for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion these financial statements present fairly the financial position of the organization as at December 31, 1988 and the results of its operations for the year then ended in accordance with the accounting principles disclosed in note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Hamilton, Canada
March 20, 1989

Pannell Kerr MacGillivray

PANNELL KERR MACGILLIVRAY
Chartered Accountants

THE CORPORATION OF THE CITY OF HAMILTON

JAMESVILLE BUSINESS IMPROVEMENT AREA

BALANCE SHEET
December 31, 1988

	1988	1987
	\$	\$
ASSETS		
Current		
Cash	2,928	934
Term deposits	6,000	16,247
B.I.A. levies receivable	1,874	188
Accounts receivable	2,407	5
Prepaid expenses	316	322
	-----	-----
	13,525	17,696
	=====	=====
LIABILITIES AND MEMBERS' EQUITY		
Current		
Accounts payable and accrued liabilities	574	4,325
Accounts payable - City of Hamilton	4,924	0
	-----	-----
	5,498	4,325
MEMBERS' EQUITY	8,027	13,371
	-----	-----
	13,525	17,696
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

JAMESVILLE BUSINESS IMPROVEMENT AREA

STATEMENT OF REVENUE AND EXPENDITURE AND MEMBERS' EQUITY for the year ended December 31, 1988

	1988 \$	1987 \$
REVENUE		
B.I.A. assessment levy	26,938	0
Interest	867	1,652
Government grant - City of Hamilton	988	1,492
Other	944	329
	-----	-----
	29,737	3,473
	-----	-----
EXPENDITURE		
Advertising	6,154	5,603
Office	1,630	3,285
Promotion	7,568	11,539
Computer	1,043	758
Seminar and special functions	3,227	202
Wages	5,777	0
Insurance	638	498
Legal and audit	237	335
Bank charges	98	97
Printing	562	1,044
Miscellaneous	3,689	800
Allowance for uncollectible levies	4,458	(583)
	-----	-----
	35,081	23,578
	-----	-----
EXCESS OF (EXPENDITURE OVER REVENUE) REVENUE OVER EXPENDITURE FOR THE YEAR	(5,344)	(20,105)
MEMBERS' EQUITY - Beginning of year	13,371	33,476
	-----	-----
MEMBERS' EQUITY - End of year	8,027	13,371
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

JAMESVILLE BUSINESS IMPROVEMENT AREA

NOTES TO FINANCIAL STATEMENTS
for the year ended December 31, 1988

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

Revenue and expenditure are recorded on the accrual basis. The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(b) Fixed Assets

The historical cost and accumulated depreciation for fixed assets are not recorded. Fixed assets are reported as expenditures in the year of acquisition.

2. COMPARATIVE FIGURES

Certain reclassifications of 1987 comparative figures have been made to conform to the financial statement presentation adopted in 1988.

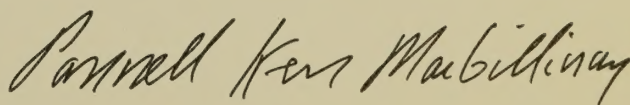
AUDITORS' REPORT

To the Board of Management of the
Ottawa Street Business Improvement
Area, Members of Council, Inhabitants
and Ratepayers of the Corporation of
the City of Hamilton

We have examined the balance sheet of the Ottawa Street Business Improvement Area as at December 31, 1988 and the statement of revenue and expenditure and members' equity for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the organization as at December 31, 1988 and the results of its operations for the year then ended in accordance with the accounting principles disclosed in note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Hamilton, Canada
March 8, 1989



PANNELL KERR MACGILLIVRAY
Chartered Accountants

THE CORPORATION OF THE CITY OF HAMILTON

OTTAWA STREET BUSINESS IMPROVEMENT AREA

BALANCE SHEET
December 31, 1988

	1988	1987
	\$	\$
ASSETS		
Current		
Cash	352	13,216
Term deposits	20,000	17,753
B.I.A. levies receivable	31,998	24,538
Accounts receivable	4,774	4,114
Prepaid expenses	1,330	310
	-----	-----
	58,454	59,931
	=====	=====
LIABILITIES AND MEMBERS' EQUITY		
Current		
Accounts payable	16,299	12,747
Levies payable - City of Hamilton	13,849	21,114
	-----	-----
	30,148	33,861
MEMBERS' EQUITY	28,306	26,070
	-----	-----
	58,454	59,931
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

OTTAWA STREET BUSINESS IMPROVEMENT AREA

STATEMENT OF REVENUE AND EXPENDITURE
AND MEMBERS' EQUITY
for the year ended December 31, 1988

	1988	1987
	\$	\$
REVENUE		
B.I.A. assessment levy	84,202	91,555
Revenues from promotions	1,593	2,731
Project revenues	3,489	4,958
Photocopy revenues	1,421	1,064
Other revenue	5,370	1,286
	-----	-----
	96,075	101,594
	-----	-----
EXPENDITURE		
Advertising and promotion	31,885	40,237
Parking		9,580
Beautification	1,957	13,451
Donations	1,000	2,150
Casual labour	1,074	752
Wages and benefits	34,248	22,947
Office expenses	1,243	3,207
Audit fees	555	500
Rentals	5,551	5,457
Membership conferences	1,776	1,608
Consultants fees	2,850	1,932
Photocopy expense	4,154	2,184
Purchase of fixed assets	4,546	2,242
Deficit of prior organization assumed	3,000	
	-----	-----
	93,839	106,247
	-----	-----
EXCESS OF (EXPENDITURE OVER REVENUE) REVENUE OVER EXPENDITURE FOR THE YEAR	2,236	(4,653)
MEMBERS' EQUITY - Beginning of year	26,070	30,723
	-----	-----
MEMBERS' EQUITY - End of year	28,306	26,070
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

OTTAWA STREET BUSINESS IMPROVEMENT AREA

NOTES TO FINANCIAL STATEMENTS
for the year ended December 31, 1988

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

Revenue and expenditure are recorded on the accrual basis. The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(b) Fixed Assets

The historical cost and accumulated depreciation for fixed assets are not recorded. Fixed assets are reported as expenditures in the year of acquisition.

2. B.I.A. LEVIES RECEIVABLE

Included in the account total is approximately \$ 27,600 which relates to assessments that are under dispute. Collectibility is not determinable at this time.

3. COMMITMENT

The organization has entered into a lease commitment for a photocopier. Future lease payments are as follows:

	\$
1989	4,373
1990	4,373
1991	4,373

AUDITORS' REPORT

To the Board of Management of the
Westdale Business Improvement
Area, Members of Council, Inhabitants
and Ratepayers of the Corporation of
the City of Hamilton

We have examined the balance sheet of the Westdale Business Improvement Area as at December 31, 1988 and the statement of revenue and expenditure and members' equity for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion these financial statements present fairly the financial position of the organization as at December 31, 1988 and the results of its operations for the year then ended in accordance with the accounting principles disclosed in note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Pannell Kerr MacGillivray

Hamilton, Canada
March 23, 1989

PANNELL KERR MACGILLIVRAY
Chartered Accountants

THE CORPORATION OF THE CITY OF HAMILTON

WESTDALE BUSINESS IMPROVEMENT AREA

BALANCE SHEET
December 31, 1988

	1988	1987
	\$	\$
ASSETS		
Current		
Cash	6,547	2,074
B.I.A. levies receivable	1,302	2,809
Prepaid expenses	170	169
Term deposit	11,000	9,000
	-----	-----
	19,019	14,052
	=====	=====
LIABILITIES AND MEMBERS' EQUITY		
Current		
Accounts payable and accrued liabilities	12,490	5,318
Accounts payable - City of Hamilton	1,261	1,830
	-----	-----
	13,751	7,148
MEMBERS' EQUITY	5,268	6,904
	-----	-----
	19,019	14,052
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

WESTDALE BUSINESS IMPROVEMENT AREA

STATEMENT OF REVENUE AND EXPENDITURE
AND MEMBERS' EQUITY
for the year ended December 31, 1988

	1988	1987
	\$	\$
REVENUE		
B.I.A. assessment levy	14,411	15,856
Government grants	0	1,000
Interest	894	541
	-----	-----
	15,305	17,397
	-----	-----
EXPENDITURE		
Promotion and advertising	14,072	6,899
Christmas decorations	734	3,671
Audit fees	230	220
Printing and photocopying	66	294
Insurance	456	427
Bank charges	9	13
Miscellaneous	209	375
Hydro	728	591
Consulting	0	2,550
Bad debts	0	400
Meetings	437	0
	-----	-----
	16,941	15,440
	-----	-----
EXCESS OF REVENUE OVER EXPENDITURE FOR THE YEAR	(1,636)	1,957
MEMBERS' EQUITY - Beginning of year	6,904	4,947
	-----	-----
MEMBERS' EQUITY - End of year	5,268	6,904
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

WESTDALE BUSINESS IMPROVEMENT AREA

NOTES TO FINANCIAL STATEMENTS
for the year ended December 31, 1988

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

Revenue and expenditure are recorded on the accrual basis. The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(b) Fixed Assets

The historical cost and accumulated depreciation for fixed assets are not recorded. Fixed assets are reported as expenditures in the year of acquisition.

2. COMPARATIVE FIGURES

Certain reclassification of 1987 comparative figures have been made to conform to the financial statement presentation adopted in 1988.

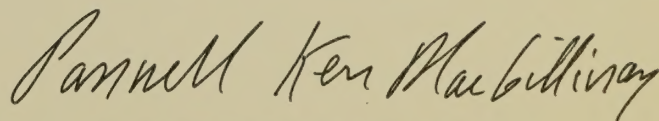
AUDITORS' REPORT

To the Board of Directors of The Hamilton
and Scourge Foundation, Inc., Members of Council,
Inhabitants and Ratepayers of the Corporation
of the City of Hamilton.

We have examined the balance sheet of The Hamilton and Scourge Foundation, Inc., as at December 31, 1988 and the statement of revenue, expenditure and accumulated deficit for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Foundation as at December 31, 1988 and the results of its operations for the year then ended in accordance with the accounting principles disclosed in note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Hamilton, Canada
April 12, 1989



PANNELL KERR MACGILLIVRAY
Chartered Accountants

THE CORPORATION OF THE CITY OF HAMILTON

THE HAMILTON AND SCOURGE FOUNDATION, INC.

BALANCE SHEET
December 31, 1988

	1988	1987
	\$	\$
ASSETS		
Accounts receivable		6,517
	-----	-----
	0	6,517
	=====	=====
LIABILITIES		
Current		
Loan payable - City of Hamilton (note 2)	69,410	74,792
	-----	-----
EQUITY		
Accumulated deficit	(69,410)	(68,275)
	-----	-----
	0	6,517
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

THE HAMILTON AND SCOURGE FOUNDATION, INC.

STATEMENT OF REVENUE, EXPENDITURE AND ACCUMULATED DEFICIT
for the year ended December 31, 1988

	1988	1987
	\$	\$
ACCUMULATED DEFICIT		
at the beginning of the year	(68,275)	(71,729)
REVENUE		
Donations	4,539	3,431
Government of Canada	0	11,552
Province of Ontario	0	5,000
Miscellaneous	7,032	1,814
	11,571	21,797
EXPENDITURE		
General operating		
Travel	268	0
General	486	214
Project expenses - Wintario	760	5,105
Canada works projects	159	11,231
Rindlisbacher printing project	877	1,793
Ship's boat replica	10,156	0
	12,706	18,343
EXCESS OF REVENUE (EXPENDITURE)		
FROM OPERATIONS	(1,135)	3,454
ACCUMULATED DEFICIT		
at the end of the year	(69,410)	(68,275)

THE CORPORATION OF THE CITY OF HAMILTON

THE HAMILTON AND SCOURGE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
for the year ended December 31, 1988

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Foundation are the representation of management prepared in accordance with accounting policies prescribed for Ontario municipalities and their local boards by the Ministry of Municipal Affairs. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgements.

(a) Accounting Entity

The Hamilton and Scourge Foundation, Inc. was incorporated on January 29, 1981 by letters patent as a corporation without share capital.

The purpose of the Foundation is to receive and disburse funds on behalf of the "Hamilton" and "Scourge" project, in accordance with the City of Hamilton Act, 1979. As such, the Foundation is accounted for separately from the "Hamilton" and "Scourge" project undertaken by the Corporation of the City of Hamilton, the financial activities of which are reported on the consolidated statement of operations of that municipality.

Upon the dissolution of the Foundation and after payment of all debts and liabilities, its remaining property shall be distributed or disposed of to The Corporation of the City of Hamilton.

(b) Basis of Accounting

Revenue and expenditure are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(c) Fixed Assets

The historical cost and accumulated depreciation for fixed assets are not recorded for financial statement purposes. Fixed assets are reported as an expenditure in the year of acquisition.

(d) Donations

Donations are recorded as revenue when received. Donations in kind are not recorded for financial statement purposes.

THE CORPORATION OF THE CITY OF HAMILTON

THE HAMILTON AND SCOURGE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS - (Continued)
for the year ended December 31, 1988

2. LOAN PAYABLE TO THE CORPORATION OF THE CITY OF HAMILTON

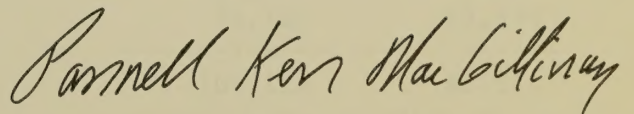
On May 25, 1982, The Corporation of the City of Hamilton approved a loan to The Hamilton and Scourge Foundation, Inc. to a maximum of \$75,000. The loan is interest free and due on demand.

AUDITORS' REPORT

To the Shareholders of
Hamilton Housing Company Limited

We have examined the balance sheet of Hamilton Housing Company Limited as at December 31, 1988 and the statement of revenue and expenditure and statement of continuity of reserves for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Company as at December 31, 1988, the results of its operations and the continuity of its reserves for the year then ended in accordance with the accounting principles disclosed in note 1 to the financial statements applied on a basis consistent with that of the preceding year.



Hamilton, Canada
April 6, 1989

PANNELL KERR MACGILLIVRAY
Chartered Accountants

THE CORPORATION OF THE CITY OF HAMILTON

HAMILTON HOUSING COMPANY LIMITED

(which owns and operates Macassa Park Apartments
and Ada Pritchard Court Apartments for Senior Citizens)

BALANCE SHEET

December 31, 1988

	1988 \$	1987 \$
ASSETS		
Current		
Due from City of Hamilton revenue fund	100,692	97,274
Accounts receivable	678	678
	-----	-----
	101,370	97,952
	-----	-----
Fixed		
Land	20,200	20,200
Building	391,291	391,291
Equipment	17,976	17,976
	-----	-----
	429,467	429,467
Less - accumulated depreciation	134,871	126,058
	-----	-----
	294,596	303,409
	-----	-----
	395,966	401,361
	=====	=====
LIABILITIES, RESERVES AND EQUITY		
Current		
Accounts payable	1,211	12,408
Tenants' guarantee deposits	40	40
	-----	-----
	1,251	12,448
	-----	-----
Mortgage Payable (note 2)		
Canada Mortgage and Housing Corporation -		
Macassa Park Apartments, 3-3/4%,		
maturing 1997	25,529	27,874
Ada Pritchard Court Apartments, 5-7/8%,		
maturing 2001	129,100	135,568
	-----	-----
	154,629	163,442
	-----	-----
RESERVES		
Reserve for building repairs and improvements	27,998	22,825
Reserve for operations	72,121	62,679
	-----	-----
	100,119	85,504
	-----	-----
EQUITY		
Capital stock - authorized		
2,000 shares without par value		
(dividends limited to \$2.50		
per share) - \$100,000		
Stated - 1,190 shares at \$50	59,500	59,500
	-----	-----
Capital surplus -		
Province of Ontario - subsidies	30,500	30,500
City of Hamilton - grants	31,700	31,700
Capital cost of projects financed		
from operations	18,267	18,267
	-----	-----
	80,467	80,467
	-----	-----
	139,967	139,967
	-----	-----
Total Equity	395,966	401,361
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

HAMILTON HOUSING COMPANY LIMITED
(which owns and operates Macassa Park Apartments
and Ada Pritchard Court Apartments for Senior Citizens)

STATEMENT OF REVENUE AND EXPENDITURE
for the year ended December 31, 1988

	1988	1987
	\$	\$
REVENUE		
Rentals - apartments	163,338	159,289
- laundry equipment	2,854	2,467
City of Hamilton - contribution	1,929	6,869
Province of Ontario - contribution	13,076	18,755
	-----	-----
	181,197	187,380
	-----	-----
EXPENDITURE		
Operating		
Wages - caretaker	16,381	18,362
Insurance	1,236	1,180
Realty taxes	49,982	47,045
Water rates	5,097	4,595
Light and power	12,359	12,612
Heating	16,597	18,249
Maintenance - grounds	9,765	13,145
- buildings	13,698	14,343
Administration fee	11,427	11,072
Window cleaning	1,394	1,360
Rental - laundry equipment	2,476	2,368
Cleaning supplies		920
Telephone and telegraph	296	270
Unclassified	1,889	583
Depreciation on fixed assets		
- at amount of mortgage		
principal repayments	8,814	8,364
Mortgage interest	8,894	9,344
	-----	-----
	160,305	163,812
	-----	-----
Transfer to Reserves	20,892	23,568
	-----	-----
	181,197	187,380
	-----	-----
EXCESS OF REVENUE OVER EXPENDITURE FOR THE YEAR	0	0
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

HAMILTON HOUSING COMPANY LIMITED
(which owns and operates Macassa Park Apartments
and Ada Pritchard Court Apartments for Senior Citizens)

STATEMENT OF CONTINUITY OF RESERVES for the year ended December 31, 1988

	Total \$	Reserve for Building Repairs and Improvements \$	Reserve for Operations \$
BALANCE AT DECEMBER 31, 1987	85,504	22,825	62,679
REVENUE			
Contribution from Revenue Fund	20,892	11,450	9,442
	-----	-----	-----
	106,396	34,275	72,121
EXPENDITURE			
Renovations	6,277	6,277	
	-----	-----	-----
BALANCE AT DECEMBER 31, 1988	100,119	27,998	72,121
	=====	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

HAMILTON HOUSING COMPANY LIMITED
(which owns and operates Macassa Park Apartments and
Ada Pritchard Court Apartments for Senior Citizens)

NOTES TO FINANCIAL STATEMENTS
for the year ended December 31, 1988

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the company are the representation of management prepared in accordance with accounting policies prescribed for Ontario municipal housing companies by the Ministry of Municipal Affairs. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgements.

(a) BASIS OF ACCOUNTING

Revenue and expenditure are reported on the accrual basis of accounting with the exception of interest on long term liabilities which is charged against operations in the periods in which it is paid.

The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(b) FIXED ASSETS AND DEPRECIATION

The land, building and equipment acquired with the proceeds from capital contributions and long term debt are recorded at original cost. To the extent that the fixed assets so acquired were financed from the proceeds of long term debt, they are being amortized at an amount equal to the mortgage principal payments over the terms of the mortgages. The balance of the fixed assets represented by the capital contributions are not being amortized and will be carried on the balance sheet indefinitely.

The cost of replacement equipment and major building repairs are charged to the reserve for building repairs and improvements in the year of occurrence.

2. MORTGAGE PAYABLE

As per agreement with Canada Mortgage and Housing Corporation, the Hamilton Housing Company Limited is required to make blended mortgage payments due June 1 and December 1 of each year to the maturity date of the mortgage instruments. The principal payments for the next five years are as follows:

Year	Macassa Park Apartments	Ada Pritchard Court Apartments
	\$	\$
1989	2,433	6,854
1990	2,526	7,263
1991	2,621	7,696
1992	2,721	8,155
1993	2,824	8,641
and thereafter	12,404	90,491
	-----	-----
	25,529	129,100
	=====	=====

AUDITORS' REPORT

To the Members of Council,
Inhabitants, and Ratepayers
of The Corporation of the
City of Hamilton.

We have examined the balance sheet of the Hamilton Municipal Retirement Fund as at December 31, 1988 and the statement of reserve for pensions for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances..

In our opinion, these financial statements present fairly the financial position of the Hamilton Municipal Retirement Fund as at December 31, 1988, and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Hamilton, Canada
April 20, 1989

Pannell Kerr MacGillivray

PANNELL KERR MACGILLIVRAY
Chartered Accountants

THE CORPORATION OF THE CITY OF HAMILTON

THE HAMILTON MUNICIPAL RETIREMENT FUND

BALANCE SHEET
December 31, 1988

	1988 \$	1987 \$
ASSETS		
Cash	103,357	189,778
Due from City of Hamilton	0	26,052
Investments		
Short term	16,706,824	20,788,615
Bonds		
Federal	8,133,735	6,994,884
Provincial	9,482,962	9,869,070
Municipal	4,001,379	4,771,430
Corporate	14,268,175	18,537,759
	35,886,251	40,173,143
Mortgages	266,762	269,860
Leaseback arrangements	1	1
Stocks - common	41,672,004	33,504,058
- preferred	702,601	1,677,956
	42,641,368	35,451,875
Total Investments (note 3)	95,234,443	96,413,633
Accrued income on investments	1,346,883	1,315,326
	96,684,683	97,944,789
=====		
LIABILITIES		
Payable to City of Hamilton	79,342	0
Payable to O.M.E.R.S.		
- Annual transfer payment	0	2,088,420
Liability for prior service agreement		
- O.M.E.R.S. transfer (note 5)	16,588,533	17,455,200
Reserves		
For prior plans (see note 6)	5,197	5,197
For pensions	80,011,611	78,395,972
	96,684,683	97,944,789
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

THE HAMILTON MUNICIPAL RETIREMENT FUND

STATEMENT OF RESERVE FOR PENSIONS for the year ended December 31, 1988

	1988 \$	1987 \$
Balance at the beginning of the year	78,395,972	73,728,920
REVENUE		
Contributions		
Employer	396,236	438,049
Employee	476,868	566,296
	873,104	1,004,345
Income from investments	7,251,965	10,135,460
Income from O.M.E.R.S.	582,708	
	8,707,777	11,139,805
EXPENSES		
Pension payments	5,398,206	4,897,672
Administrative expenses	457,742	319,828
Commutated pensions	45,399	0
Employer contributions		
- 35 Years Paid Up	4,557	0
Interest expense - O.M.E.R.S.	1,157,704	1,255,253
O.M.E.R. expense for prior service	28,530	0
	7,092,138	6,472,753
Balance at the end of the year	80,011,611	78,395,972

THE CORPORATION OF THE CITY OF HAMILTON

THE HAMILTON MUNICIPAL RETIREMENT FUND

NOTES TO THE FINANCIAL STATEMENTS as at December 31, 1988

1. DESCRIPTION OF THE FUND

The Hamilton Municipal Retirement Fund (H.M.R.F.) was established effective January 1, 1957 under the authority of By-Law No. 7970 of the Corporation of the City of Hamilton.

All accumulated pension funds in respect of earlier pension plans were transferred to the H.M.R.F. with the exception of those for the Government Annuities Branch contracts which are restricted in this respect.

The funds remitted prior to January 1, 1957 to the Government Annuities Branch are not reflected on the balance sheet of the H.M.R.F. The amounts relating to plan members as at the year end are \$11,570 (1987 - \$15,975).

Past service benefits for \$489,450, debentured in 1953 and remitted to the Government Annuities Branch are also not reflected on these statements. The amounts relating to plan members as at year end are \$67 (1987 - \$51).

In accordance with a provision of the Ontario Municipal Employees Retirement System (O.M.E.R.S.) from July 1, 1965, all new employees of the Corporation of the City of Hamilton are included under O.M.E.R.S. rather than the H.M.R.F. As a consequence, the membership of the H.M.R.F. has become closed to new entrants and will decrease as existing members terminate.

2. ACCOUNTING POLICIES

The financial statements of the Fund are the representation of management prepared in accordance with generally accepted accounting principles. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgements.

(a) Basis of Accounting

The accounts of the Fund are maintained on the accrual basis of accounting. Accordingly, dividend and interest income is accounted for as earned rather than when received.

(b) Investments

The investments of the Fund are held by the Royal Trust Company.

Investments are recorded at cost, except for mortgages which are recorded at the principal amount outstanding.

THE CORPORATION OF THE CITY OF HAMILTON

THE HAMILTON MUNICIPAL RETIREMENT FUND

NOTES TO THE FINANCIAL STATEMENTS - (Continued)
as at December 31, 1988

3. MARKET VALUE OF INVESTMENTS

The total of investments recorded on the balance sheet at cost have a market value of \$101,437,139 as at the end of the year. (The 1987 comparative amount is \$100,543,843)

4. ACTUARIAL INFORMATION

The statements show only the financial position of the fund and do not purport to show the adequacy of the Fund to meet the obligations of the retirement plan. The date of the last actuarial valuation of the plan was December 31, 1987.

The surplus in the plan at December 31, 1987 was \$1,969,200 (December 31, 1986 - \$1,966,900).

5. LIABILITY FOR PRIOR SERVICE AGREEMENT

The liability is being amortized over 15 years and bears interest of 7% per annum. Blended interest and principal payments of \$2,088,420 are due yearly on December 31st. Commencing January 31, 1988, payments were made on a monthly basis conforming with recent changes to the Pension Benefits Act.

Principal repayments are as follows:

	\$
1989	927,334
1990	992,247
1991	1,061,704
1992	1,136,023
1993	1,215,544
Subsequent	11,255,681

	16,588,533
	=====

6. RESERVES

This reserve is for pensions payable pursuant to the terms of a previous plan or fund. The employer's and employees' contributions were made subsequent to 1957, on behalf of members of a previous plan or fund who have not elected to participate in the "standard" terms.

AUDITORS' REPORT

To the Members of the Hydro-Electric Power Commission,
Members of Council, Inhabitants and Ratepayers of the
Corporation of the City of Hamilton

We have examined the balance sheet of the Hamilton Hydro-Electric System as at December 31, 1988 and the statements of operations and utility equity and changes in cash resources for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Hamilton Hydro-Electric System as at December 31, 1988 and the results of its operations and the changes in its cash resources for the year then ended in accordance with the accounting principles disclosed in note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Pannell Kerr MacGillivray

Hamilton, Canada
April 10, 1989

PANNELL KERR MACGILLIVRAY
Chartered Accountants

THE CORPORATION OF THE CITY OF HAMILTON

HAMILTON HYDRO-ELECTRIC SYSTEM

BALANCE SHEET
DECEMBER 31, 1988

	1988 \$	1987 \$
ASSETS		
CURRENT		
Cash (note 3)	8,666,574	8,755,975
Accounts receivable (note 4)	19,597,807	17,831,982
Inventories (note 5)	5,151,911	4,180,761
Other current assets (note 6)	7,805,408	7,151,560
	-----	-----
	41,221,700	37,920,278
	-----	-----
OTHER		
Collateral funds	24,658	19,000
Street light transfer long term	298,384	
	-----	-----
	323,042	19,000
	-----	-----
FIXED		
Plant and equipment (note 2)	83,570,160	83,357,767
	-----	-----
EQUITY IN ONTARIO HYDRO	178,475,501	164,195,386
	-----	-----
	303,590,403	285,492,431
	=====	=====
LIABILITIES & EQUITY		
CURRENT		
Payables and accruals	22,451,780	21,022,997
Current portion of deposits	1,819,662	1,623,143
Current portion of vested sick leave	85,000	140,000
	-----	-----
	24,356,442	22,786,140
	-----	-----
OTHER		
Deposits	342,000	283,400
Collateral funds liability	24,658	19,000
Vested sick leave	375,474	455,351
	-----	-----
	742,132	757,751
	-----	-----
DEFERRED CREDITS		
Contributed capital (note 7)	1,859,129	1,218,437
	-----	-----
UTILITY EQUITY (note 8)	98,157,199	96,534,717
	-----	-----
EQUITY IN ONTARIO HYDRO	178,475,501	164,195,386
	-----	-----
	303,590,403	285,492,431
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

HAMILTON HYDRO-ELECTRIC SYSTEM

STATEMENT OF OPERATIONS AND UTILITY EQUITY FOR THE YEAR ENDING DECEMBER 31, 1988

	1988 \$	1987 \$
SERVICE REVENUE (note 9)	277,132,407	252,299,910
SERVICE REVENUE ADJUSTMENT (note 10)	496,492	751,316
	-----	-----
	277,628,899	253,051,226
COST OF POWER	255,810,216	234,764,702
	-----	-----
GROSS MARGIN ON SERVICE REVENUE	21,818,683	18,286,524
OTHER OPERATION REVENUE (note 11)	3,333,937	2,859,440
	-----	-----
	25,152,620	21,145,964
	-----	-----
EXPENSES		
Transmission and transformation	1,680,780	1,340,205
Overhead distribution	1,467,004	1,396,145
Underground distribution	1,004,642	965,827
Line transformers	297,224	152,488
Meters	954,985	791,448
Consumers' premises	795,748	725,306
Water heaters	273,011	241,872
Customer services	194,888	182,545
Billing and collecting	3,793,884	3,787,737
Administrative	2,766,822	2,507,004
Interest	89,728	72,138
Bad debts	127,525	165,571
Depreciation (less amortization of contributed capital \$72,414; 1987 - \$43,889)	4,329,333	3,904,881
	-----	-----
	17,775,574	16,233,167
	-----	-----
NET INCOME FOR THE YEAR	7,377,046	4,912,797
UTILITY EQUITY, beginning of year as previously stated	96,534,717	91,621,920
Adjustments relating to prior years (note 8)		
Vacation pay accrual	(356,957)	
Transfer of accumulated contributions re street lighting	(896,716)	
Transfer of street lighting	(4,500,891)	
	-----	-----
UTILITY EQUITY, AS RESTATED	90,780,153	91,621,920
NET INCOME FOR THE YEAR	7,377,046	4,912,797
	-----	-----
UTILITY EQUITY - END OF YEAR	98,157,199	96,534,717
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

HAMILTON HYDRO-ELECTRIC SYSTEM

STATEMENT OF CHANGES IN CASH RESOURCES FOR THE YEAR ENDED DECEMBER 31, 1988

	1988 \$	1987 \$
CASH DERIVED FROM (APPLIED TO) OPERATIONS		
Net income for the year	7,377,046	4,912,797
Add (deduct) non-cash items -		
Depreciation provision	4,754,560	4,186,249
Amortization of contributed capital	(72,414)	(43,889)
Gain on disposal of fixed assets	(105,968)	(63,810)
Vested sick leave	19,319	18,942
	-----	-----
Working capital derived from operations	11,972,543	9,010,289
Decrease (increase) in working capital -		
Accounts receivable	(1,765,824)	(1,538,126)
Inventories	(971,150)	(228,943)
Other current assets	(704,335)	(688,263)
Payables and accruals	1,428,783	2,648,273
Vacation pay accrual, charged to equity	(356,957)	
	-----	-----
	9,603,060	9,203,230
	-----	-----
CASH DERIVED FROM (APPLIED TO) INVESTMENT ACTIVITIES		
Proceeds on disposal of fixed assets	107,263	63,810
Additions to fixed assets	(11,268,525)	(11,133,928)
Street light transfer, long-term	(298,384)	
	-----	-----
	(11,459,646)	(11,070,118)
	-----	-----
CASH DERIVED FROM (APPLIED TO) FINANCING ACTIVITIES		
Capital contributions received	713,105	424,503
Street light capital contributions		
- received	384,000	360,000
- receivable	569,156	
Deposits	255,119	489,913
Vested sick leave	(154,195)	(122,237)
	-----	-----
	1,767,185	1,152,179
	-----	-----
NET DECREASE IN CASH RESOURCES DURING THE YEAR	(89,401)	(714,709)
CASH RESOURCES - BEGINNING OF YEAR	8,755,975	9,470,684
	-----	-----
CASH RESOURCES - END OF YEAR	8,666,574	8,755,975
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

HAMILTON HYDRO-ELECTRIC SYSTEM

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 1988

1. ACCOUNTING POLICIES

(a) Financial Statements

The financial statements have been prepared in accordance with accounting principles for municipal electrical utilities in Ontario as required by Ontario Hydro under the authority of Section 96 of The Power Corporations Act and reflect the following policies as set forth in the manual "Accounting for Municipal Electrical Utilities in Ontario".

(b) Revenue Recognition

Service revenue is recorded on the basis of regular meter readings and estimates of customer usage since the last meter reading date to the end of the year.

(c) Inventory Valuation

The inventory of materials and reels is valued at average cost.

(d) Depreciation

Plant depreciation is provided in accordance with the recommendations of Ontario Hydro. Capital assets in service at December 31, 1979 are being depreciated on a straight-line basis over their expected remaining useful life. Acquisitions from January 1, 1986 (except for street lighting) are depreciated on a straight-line basis, generally using the following rates:

Buildings - brick	60 years
- other	30 years
Substation equipment	30 years
Overhead distribution	25 years
Underground distribution	25 years
Transformers	25 years
Meters	25 years
Office equipment	10 years
Computer equipment	5 years
Rolling stock - automobiles	4 years
- trucks under 3 tons	5 years
- trucks over 3 tons	8 years
Miscellaneous equipment	10 years
Radio equipment	10 years
Water heater equipment	8 years
Store department equipment	10 years
Systems supervisory equipment	25 years

THE CORPORATION OF THE CITY OF HAMILTON

HAMILTON HYDRO-ELECTRIC SYSTEM

NOTES TO FINANCIAL STATEMENTS - (Continued)
FOR THE YEAR ENDED DECEMBER 31, 1988

1. ACCOUNTING POLICIES - (Continued)

(d) Depreciation (Continued)

Acquisitions from January 1, 1980 to December 31, 1985 are depreciated on a straight-line basis, using January 1, 1986 rates except for:

Substation equipment	35 years
Underground distribution	40 years
Transformers	30 years
Meters	35 years

Depreciation of street lighting is determined by the sinking fund method using 2% annual provision and 5-1/2% interest improvement.

2. PLANT AND EQUIPMENT

		1988		1987
	Cost	Accumulated	Net Book	Net Book
	\$	Depreciation	Value	Value
		\$	\$	\$
Plant -				
Land	875,032		875,032	876,327
Buildings	10,445,784	3,518,088	6,927,696	7,065,919
Substation equipment	6,536,513	3,136,571	3,399,942	2,880,739
Overhead distribution	16,143,796	7,294,360	8,849,436	8,294,005
Underground distribution	54,932,026	12,392,067	42,539,959	38,936,366
Transformers	16,825,321	5,488,438	11,336,883	10,162,469
Meters	8,708,386	2,504,058	6,204,328	5,832,393
	114,466,858	34,333,582	80,133,276	74,048,218
Equipment -				
Street lighting				6,260,228
Office equipment	589,383	361,407	227,976	179,108
Computer equipment	454,551	407,186	47,365	92,569
Rolling equipment	3,021,616	1,314,536	1,707,080	1,492,505
Miscellaneous and radio equipment	671,553	363,469	308,084	267,064
Water heater equipment	1,705,560	707,390	998,170	857,120
Stores department equipment	89,108	60,824	28,284	27,987
Systems supervisory equipment	293,192	173,267	119,925	132,968
	121,291,821	37,721,661	83,570,160	83,357,767
	=====	=====	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

HAMILTON HYDRO-ELECTRIC SYSTEM

NOTES TO FINANCIAL STATEMENTS - (Continued)
FOR THE YEAR ENDED DECEMBER 31, 1988

	1988 \$	1987 \$
3. CASH		
Petty cash and change funds	8,280	8,230
Cash in transit and on deposit at The Canadian Imperial Bank of Commerce	1,383,294	8,747,745
Time deposit - The Canadian Imperial Bank of Commerce	7,275,000	
	-----	-----
	8,666,574	8,755,975
	=====	=====
4. ACCOUNTS RECEIVABLE		
Electrical energy	18,954,480	17,610,116
Miscellaneous	393,900	249,766
Street light transfer current portion	270,772	
	-----	-----
	19,619,152	17,859,882
Allowance for doubtful accounts	21,345	27,900
	-----	-----
	19,597,807	17,831,982
	=====	=====
5. INVENTORIES		
Materials	5,146,871	4,172,959
Postage	5,040	7,802
	-----	-----
	5,151,911	4,180,761
	=====	=====
6. OTHER CURRENT ASSETS		
Unbilled revenue	6,950,621	6,454,129
Prepaid insurance	175,729	163,180
Accrued interest income	66,728	36,981
Work chargeable in progress	595,330	480,270
Deposit - Workers' Compensation Board	17,000	17,000
	-----	-----
	7,805,408	7,151,560
	=====	=====
7. CONTRIBUTED CAPITAL		
In certain cases, non-refundable required contributions are received in aid of construction or the acquisition of fixed assets. Amortization of these contributions is calculated at the same rate as for the fixed assets to which they relate.		
	1988 \$	1987 \$
Contributed capital subject to amortization after January 1, 1980	2,050,204	1,337,099
Less amortization to-date	191,075	118,662
	-----	-----
	1,859,129	1,218,437
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

HAMILTON HYDRO-ELECTRIC SYSTEM

NOTES TO FINANCIAL STATEMENTS - (Continued)
FOR THE YEAR ENDED DECEMBER 31, 1988

8. UTILITY EQUITY

The ownership of the streetlight facilities and the accumulated contribution were transferred to the municipal corporation at the year end. The net book value of the street lighting and the contribution were charged to the utility equity.

As a result of a change in the accounting policy for vacation pay from the cash basis to the accrual basis, in accordance with "Accounting for Municipal Electrical Utilities in Ontario" manual, the cumulative effect for prior years has been adjusted in the opening utility balance of the current year.

9. SERVICE REVENUE	1988	1987
	\$	\$
Domestic		
Commercial	57,793,078	52,269,315
Industrial	42,652,357	38,678,130
Street Lighting	175,355,749	160,078,508
	1,331,223	1,273,957
	-----	-----
	277,132,407	252,299,910
	=====	=====

10. SERVICE REVENUE ADJUSTMENT

Unbilled revenue, beginning of year	6,454,129	5,886,578
Unbilled revenue, end of year	6,950,621	6,454,129
	-----	-----
	496,492	567,551
Prior year billing adjustment		183,765
	-----	-----
	496,492	751,316
	=====	=====

11. OTHER OPERATING REVENUE

Street lighting - capital recovery	723,734	691,888
Water heater rentals	534,433	433,768
Penalty charges	841,983	651,359
Poles rentals	167,330	137,838
Profit on sale of material and/or services	22,262	26,544
Interest earned	690,560	625,658
Building and other rentals	36,780	35,643
Reconnection charges	882	12,108
Gain on disposal of fixed assets	105,968	63,810
Collection charges	27,402	18,117
Sale of scrap material	123,667	116,660
Miscellaneous	58,936	46,047
	-----	-----
	3,333,937	2,859,440
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

HAMILTON HYDRO-ELECTRIC SYSTEM

NOTES TO FINANCIAL STATEMENTS - (Continued)
FOR THE YEAR ENDED DECEMBER 31, 1988

12. STATISTICS

	1988	1987
Kilowatt hours sold	6,225,167,486	5,928,958,541
Average kilowatt demand purchased	889,274.2	858,274.8
Annual effective rate per kilowatt demand after thirteenth power account	\$287.7	\$273.5
Rate per thousand kilowatt hours purchased	\$20.52	\$19.60
Thirteenth power account receivable (payable)	\$208,469	(\$13,118)
Excess of revenue over expenditure	\$7,337,046	\$4,912,797
Customers	124,412	122,536

AUDITORS' REPORT

To the Directors of Municipal Non-Profit
(Hamilton) Housing Corporation.

We have examined the balance sheet of Municipal Non-Profit (Hamilton) Housing Corporation as at December 31, 1988 and the statement of operations - shelter and the replacement reserve fund statement of continuity for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Corporation as at December 31, 1988 and the results of its operations and the continuity of its reserve fund for the year then ended in accordance with the accounting principles disclosed in Note 1 to the financial statements, applied on a basis consistent with that of the preceding year.

Pannell Kerr MacGillivray

Hamilton, Canada
April 11, 1989

PANNELL KERR MACGILLIVRAY
Chartered Accountants

THE CORPORATION OF THE CITY OF HAMILTON

MUNICIPAL NON-PROFIT (HAMILTON) HOUSING CORPORATION

BALANCE SHEET

December 31, 1988

	1988 \$	1987 \$
ASSETS		
Current		
Cash	82,666	7,744
Accounts receivable	87,180	65,885
Rents receivable	30,991	9,129
Investments - deposit receipts	59,587	30,245
Due from City of Hamilton	0	38,647
Prepaid expenses	3,938	0
Mortgages receivable	0	1,335,145
Government contribution receivable	69,231	6,115
Insurance claim receivable (note 2)	1,376,244	0
Deferred charge (note 2)	184,170	0
	-----	-----
	1,894,007	1,492,910
	-----	-----
Cash of the replacement reserve fund	95,484	19,247
	-----	-----
Fixed		
Land	2,034,308	1,747,466
Buildings	9,635,937	8,881,460
Equipment	166,383	170,383
	-----	-----
	11,836,628	10,799,309
Less - accumulated depreciation	68,757	20,747
	-----	-----
	11,767,871	10,778,562
Housing projects in progress	102,263	97,607
	-----	-----
	11,870,134	10,876,169
	-----	-----
	13,859,625	12,388,326
	=====	=====
LIABILITIES AND FUND BALANCES		
Current		
Accounts payable	227,746	738,367
Holdbacks payable	208,568	655,268
Tenants' guarantee deposits	63,021	38,563
Due to City of Hamilton	104,530	0
Advances from tenants	1,952	2,298
Accrued interest payable	20,854	37,554
	-----	-----
	626,671	1,472,050
	-----	-----
Loan payable		
City of Hamilton (note 3)	111,229	0
Ministry of Housing (note 4)	64,685	28,100
	-----	-----
	175,914	28,100
	-----	-----
Mortgages Payable (note 5)		
Loan 390070 - 722 Upper Paradise Road		
11.75% maturing 1991	2,476,308	2,469,891
Loan 391508 - Limeridge Road/Upper Sherman		
11.25% maturing 1992	3,985,678	4,015,115
Loan 391516 - 470 Stonechurch East		
11.25% maturing 1992	4,358,934	4,383,923
Loan 9177884 - 75 Wentworth Street North		
11.47% maturing 1993	2,140,636	0
	-----	-----
	12,961,556	10,868,929
	-----	-----
FUND BALANCES		
Replacement reserve fund	95,484	19,247
	-----	-----
	13,859,625	12,388,326
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

MUNICIPAL NON-PROFIT (HAMILTON) HOUSING CORPORATION

STATEMENT OF OPERATIONS - SHELTER for the year ended December 31, 1988

	1988 \$	1987 \$
REVENUE		
Rentals - tenants	855,641	262,422
Rent supplements - Government of Canada	492,095	203,897
- Province of Ontario	554,061	37,497
Other revenue	26,804	639
	<u>1,928,601</u>	<u>504,455</u>
EXPENSES		
Labour and related costs		
Salaries and wages	22,958	690
Benefits	1,713	1,583
Custodian's rent	0	7,072
Other	4,670	0
	<u>29,341</u>	<u>9,345</u>
Maintenance, materials and services		
Roofing	162	31
Building - general	41,777	23,685
Electrical systems	1,758	609
Grounds	32,521	8,142
Equipment	6,200	926
Other	3,429	761
	<u>85,847</u>	<u>34,154</u>
Utilities		
Electricity	9,282	3,207
Water	23,934	7,025
Other	354	0
	<u>33,570</u>	<u>10,232</u>
Property		
Insurance	35,358	11,083
Municipal taxes	358,687	90,901
Depreciation of building		
- at amount of mortgage		
principal repayment	48,010	10,395
Mortgage interest	1,219,840	307,618
Other	4,202	0
	<u>1,666,097</u>	<u>419,997</u>
Administration		
Management fee - East Kiwanis	73,472	15,308
- Housing staff	1,790	2,116
Bad debts	25,862	4,000
Other	5,616	859
	<u>106,740</u>	<u>22,283</u>
Transfer to Replacement Reserve Fund	76,237	14,559
	<u>1,997,832</u>	<u>510,570</u>
Excess of revenue (expenses) from operations	(69,231)	(6,115)
Refundable by (to) government agencies	69,231	6,115
Net operating income	<u>0</u>	<u>0</u>
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

MUNICIPAL NON-PROFIT (HAMILTON) HOUSING CORPORATION

STATEMENT OF OPERATIONS - SHELTER
for the year ended December 31, 1988

SCHEDULE I

	772 Upper Paradise	580 Limeridge East	470 Stone- church East	Total
REVENUE				
Rentals - tenants	250,785	316,781	288,075	855,641
Rent supplements - Government of Canada	192,142	143,856	156,097	492,095
- Province of Ontario	30,793	257,837	265,431	554,061
Other revenue	17,766	7,516	1,522	26,804
	491,486	725,990	711,125	1,928,601
EXPENSES				
Labour and related costs				
Salaries and wages	7,188	8,180	7,590	22,958
Benefits	1,635	17	61	1,713
Custodian's rent	0	0	0	0
Other	843	1,446	2,381	4,670
	9,666	9,643	10,032	29,341
Maintenance, materials and services				
Roofing	102	60	0	162
Building - general	27,560	7,424	6,793	41,777
Electrical systems	483	788	487	1,758
Grounds	13,148	10,752	8,621	32,521
Equipment	868	3,275	2,057	6,200
Other	1,090	1,271	1,068	3,429
	43,251	23,570	19,026	85,847
Utilities				
Electricity	603	1,792	6,887	9,282
Water	6,217	9,881	7,836	23,934
Other	316	0	38	354
	7,136	11,673	14,761	33,570
Property				
Insurance	8,473	13,098	13,787	35,358
Municipal taxes	93,364	124,338	140,985	358,687
Depreciation of building				
- at amount of mortgage				
principal repayment	(6,417)	29,438	24,989	48,010
Mortgage interest	318,952	430,171	470,717	1,219,840
Other	1,170	1,674	1,358	4,202
	415,542	598,719	651,836	1,666,097
Administration				
Management fee - East Kiwanis	17,600	26,928	28,944	73,472
- Housing staff	1,790	0	0	1,790
Bad debts	19,091	2,724	4,047	25,862
Other	5,597	9	10	5,616
	44,078	29,661	33,001	106,740
Transfer to Replacement Reserve Fund	11,750	31,307	33,180	76,237
	531,423	704,573	761,836	1,997,832
Excess of revenue (expenses) from operations	(39,937)	21,417	(50,711)	(69,231)
Refundable by (to) government agencies	39,937	(21,417)	50,711	69,231
Net operating income	0	0	0	0

THE CORPORATION OF THE CITY OF HAMILTON

MUNICIPAL NON-PROFIT (HAMILTON) HOUSING CORPORATION

REPLACEMENT RESERVE FUND STATEMENT OF CONTINUITY
for the year ended December 31, 1988

	1988	1987
	\$	\$
ASSETS		
Cash	95,484	19,247
	=====	=====
RESERVES		
Balance at beginning of year	19,247	4,688
Provision	76,237	14,559
	-----	-----
Balance at end of year	95,484	19,247
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

MUNICIPAL NON-PROFIT (HAMILTON) HOUSING CORPORATION

SCHEDULE OF ADMINISTRATION EXPENSES - SHELTER AND NON-SHELTER for the year ended December 31, 1988

	1988	1987
	\$	\$
Bad debts	25,862	4,000
Other	5,616	859
Management fees	75,262	17,424
Total administrative expenses	106,740	22,283
	=====	=====

SCHEDULE OF SALARIES, WAGES AND EMPLOYEE BENEFITS - SHELTER AND NON-SHELTER for the year ended December 31, 1988

	1988	1987
	\$	\$
Administration	29,341	2,273
Caretaking staff	0	7,072
Total salaries, wages and employee benefits	29,341	9,345
	=====	=====

SCHEDULE OF GOVERNMENT CONTRIBUTIONS AND FINAL SETTLEMENT for the year ended December 31, 1988

	1988	1987
	\$	\$
Net project operating losses	1,115,387	247,509
Maximum Federal assistance	492,095	203,897
Surplus/(Deficit) after maximum Federal assistance	(623,292)	(43,612)
Maximum Provincial assistance	554,061	203,897
Actual Provincial assistance required	623,292	43,612
Total maximum Federal and Provincial assistance required	1,115,387	247,509
Total government contributions received	1,046,156	241,394
Total receivable	69,231	6,115
	=====	=====

THE CORPORATION OF THE CITY OF HAMILTON

MUNICIPAL NON-PROFIT (HAMILTON) HOUSING CORPORATION

NOTES TO FINANCIAL STATEMENTS
for the year ended December 31, 1988

1. ACCOUNTING POLICIES

The financial statements of the Corporation are the representation of management prepared in accordance with accounting policies acceptable for non-profit housing corporations. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgments.

BASIS OF ACCOUNTING

- (i) Revenue and expenses are recorded on the accrual basis of accounting.
- (ii) The accrual basis of accounting recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.
- (iii) Fixed assets are recorded at original cost. Depreciation is charged at an amount equal to the mortgage principal reduction. Replacement of equipment and major repairs are not capitalized but charged to a reserve fund in the year of acquisition.
- (iv) Housing projects that are in the process of being constructed and which will be financed with the proceeds from long term debt, have been capitalized at the year end. No depreciation will be taken on these projects until they are completed and the financing has been obtained.
- (v) In keeping with the mandate of the Municipal Non-Profit Housing Corporations, the objective is to provide affordable housing with no intention of profit realization. Any operating surplus of revenue over expenditures is refundable to the government agencies that are supplementing rentals. Likewise, any deficit is recoverable from these agencies.

2. INSURANCE CLAIM RECEIVABLE AND DEFERRED CHARGE

On December 3, 1988 the Wentworth School (75 Wentworth Street North), a project of the Corporation, was destroyed by a fire. Insurance proceeds have been accrued, and applied against the cost of the project to the extent they have been settled by the insurance company. The excess of the cost of project over the related insurance proceeds has been recorded as a deferred charge and will be offset by any additional insurance proceeds which may be received.

3. LOAN PAYABLE - CITY OF HAMILTON

The City of Hamilton has approved a loan to the Corporation up to a maximum of \$200,000 without interest or fixed repayment terms, to cover the cost of demolition, security and outstanding work relating to the Wentworth School fire.

THE CORPORATION OF THE CITY OF HAMILTON

MUNICIPAL NON-PROFIT (HAMILTON) HOUSING CORPORATION

NOTES TO FINANCIAL STATEMENTS - (Continued)
for the year ended December 31, 1988

4. LOAN PAYABLE - MINISTRY OF HOUSING

The loan is a non interest bearing advance from the Ontario Housing Corporation to be used to cover start up costs incurred on new housing projects. The loan is repayable six months subsequent to the interest adjustment date of the housing project.

5. MORTGAGES PAYABLE

As per agreement with Metropolitan Trust Company of Canada, the Corporation is required to make blended interest and principal payments as follows, due the first day of each month to the maturity date of the mortgage instruments on the properties listed below.

Agreement No.	390070	391508	391516
~~~~~	~~~~~	~~~~~	~~~~~
Location	772	580	470
	Upper	Limeridge	Stone Church
	Paradise	Road East	Road East
	2,476,308	3,985,678	4,358,934
Monthly Payments	24,250	38,386	41,433
Interest Rate	11.75%	11.25%	11.25%
1989	7,380	23,474	18,866
1990	8,272	26,192	21,048
1991	2,460,656	29,221	23,483
1992		3,906,791	26,199
1993			4,269,338
	-----	-----	-----
	2,476,308	3,985,678	4,358,934
	=====	=====	=====

Mortgage no. 9177884 with Royal Trust for 75 Wentworth Street North contains no specific repayment terms.

### 6. SECURITY GIVEN

The mortgages payable in respect to 772 Upper Paradise Road, 580 Limeridge Road East, 470 Stone Church Road East and 75 Wentworth Street North secured by way of a first mortgage on the land and premises, the general assignment of rents and leases and a chattel mortgage.

### 7. REPLACEMENT RESERVE FUND

The amount of revenue used or set aside for the replacement reserve fund as well as the use and disposition of the reserve fund requires approval from the Ministry of Housing. The reserve fund is required to be funded annually.





# THE CORPORATION OF THE CITY OF HAMILTON

## MUNICIPAL NON-PROFIT (HAMILTON) HOUSING CORPORATION

NOTES TO FINANCIAL STATEMENTS - (Continued)  
for the year ended December 31, 1988

### 8. COMMITMENTS AND SUBSEQUENT EVENTS

The Corporation of the City of Hamilton, on behalf of the Corporation, has purchased property at 1781 King Street East at a cost of \$142,875. The Corporation has signed a construction contract for 1150 Limeridge East at a estimated cost of \$3,590,450. Construction has commenced in 1989.

### 9. INCORPORATION

The Corporation was incorporated under letters patent dated March 13, 1985 as a corporation without share capital.

### 10. INTEREST ADJUSTMENT DATE

The statement of operations covers the period from the interest adjustment date to December 31, 1988. All operating costs incurred on the project to the interest adjustment date less all revenues received to that date were capitalized as fixed assets. The following interest adjustment dates, determined by the Ministry of Housing, represent mortgage commencements dates:

1. 772 Upper Paradise Road - July, 1986
2. 580 Limeridge Road East - December 1, 1987
3. 470 Stone Church Road East - January 1, 1988
4. 75 Wentworth Street North - October 1, 1988





*The Corporation of the*  
**CITY OF HAMILTON**  
HAMILTON, ONTARIO

# **FINANCIAL INFORMATION RETURN**

# **1988**





# 1988 FINANCIAL INFORMATION RETURN

MUNICIPALITY: The Corporation of the City of Hamilton

in the Region, County or District of: Hamilton-Wentworth

## DECLARATION OF THE MUNICIPAL TREASURER

Pursuant to the determination of grants under the Ontario Unconditional Grants Act, and to the information required by the Province under the Municipal Affairs Act, the following schedules are attached:

	Attached
1 Analysis of Revenue Fund Revenues	<u>X</u>
2LT Analysis of Taxation	<u>X</u>
2UT Analysis of Upper Tier Requisitions and Direct Charges	—
2MA Analysis of Taxation in Merged Areas	—
3 Analysis of Current Revenue for Specific Functions	<u>X</u>
4 Analysis of Revenue Fund Expenditures	<u>X</u>
5 Analysis of Capital Operations	<u>X</u>
6 Analysis of Capital Grants and Own Expenditures	<u>X</u>
7 Analysis of Net Long Term Liabilities By Function	<u>X</u>
8 Analysis of Long Term Liabilities and Commitments	<u>X</u>
9LT Continuity of Upper Tier and School Board Levies	<u>X</u>
10 Continuity of Reserves and Reserve Funds	<u>X</u>
11 Analysis of Consolidated Year End Balances	<u>X</u>
12 Statistical Data	<u>X</u>
13 Grant Information	<u>X</u>
14 Grant Information	—

The schedules have been drawn up in accordance with the instructions provided by the Ministry of Municipal Affairs. They represent the consolidated financial activities of the municipality, all local boards, including joint boards where applicable and any other local corporate entities set up by the municipality to provide services to ratepayers. The consolidated local boards and entities are:

- . *Hamilton Entertainment and Convention Facilities, Inc.* .
- . *Hamilton Public Library Board* .
- . *Parking Authority of the City of Hamilton* .
- . *Barton General Business Improvement Area* .
- . *Concession Street Business Improvement Area* .
- . *Downtown Hamilton Business Improvement Area* .
- . *International Village Business Improvement Area* .
- . *Jamesville Business Improvement Area* .
- . *Ottawa Street Business Improvement Area* .
- . *Westdale Business Improvement Area* .

Trust funds administered by the municipality and its local boards, harbour commissions, humane societies, municipal non-profit housing corporations, provincial-municipal housing authorities, sinking funds, retirement or pension plan funds, school boards, conservation authorities, children's aid societies, district health councils, municipal hospitals and gas, telephone and hydro utilities are not consolidated.

The schedules have been prepared by The City of Hamilton

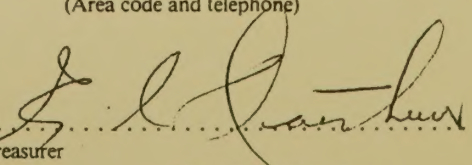
(Auditor's firm or name of Municipality)

Questions regarding the information contained in them should be addressed to Mr. M. B. Chandrashekar

Supervisor of Accounting

at (416) 526-4531  
(Area code and telephone)

Date April 25 1989

  
Municipal Treasurer

E. C. Matthews







*To the Ministry of Municipal Affairs*

*Our examination of the financial statements of The Corporation of the City of Hamilton for the year ended December 31, 1988 was made for the purpose of forming an opinion on the financial statements referred to in our auditor's report to the Members of Council, Inhabitants and Ratepayers dated April 21, 1989.*

*At your request, we have performed the following procedures in connection with Schedules 1 to 12 of the Financial Information Return of The Corporation of the City of Hamilton for the year ended December 31, 1988.*

- (a) We have compared the amounts disclosed on these schedules to the books and records of the City and found them to be in agreement;*
- (b) We have added and cross-added all schedules; and*
- (c) We have cross-referenced the information on the schedules where applicable.*

*The above noted schedules have not been subject to the auditing procedures applied in the examination of the financial statements and accordingly we do not express an opinion on the fair presentation of this information.*

*Pannell Kerr MacGillivray*

*Hamilton, Canada  
April 21, 1989*

PANNELL KERR MACGILLIVRAY  
Chartered Accountants





ANALYSIS OF REVENUE FUND  
REVENUES

Municipality

CITY OF HAMILTON

1  
3

for the year ended December 31, 1988

		total revenue	upper tier purposes	school board purposes	own purposes
Note: Upper tiers use column 4 only					
		1	2	3	4
		\$	\$	\$	\$
<b>Taxation</b>					
Taxation from schedule 2LT (or requisitions from schedule 2UT)	1	318,716,950	77,918,670	146,619,490	94,178,790
Direct water billings on ratepayers					
— own municipality	2				
— other municipalities	3				
Sewer surcharge on direct water billings					
— own municipality	4				
— other municipalities	5				
Subtotal	6	318,716,950	77,918,670	146,619,490	94,178,790
<b>Payments in lieu of taxes</b>					
Canada	7	1,002,984	441,620		561,364
Canada enterprises	8	412,660	101,111	190,527	121,022
Ontario					
The Municipal Tax Assistance Act	9				
The Municipal Act, section 160	10	1,182,150	534,630		647,520
Other	11	292,275	132,182		160,093
Ontario enterprises					
Ontario Housing Corporation	12	5,168,620	1,265,887	2,381,311	1,521,422
Ontario Hydro	13	1,872,615	845,323	2,946	1,024,346
Liquor Control Board of Ontario	14	121,901	55,487		66,414
Other	15	185,084	83,730		101,354
Municipal enterprises	16	3,508,585	1,549,798		1,958,787
Other municipalities and enterprises	17				
Subtotal	18	13,746,874	5,009,768	2,574,784	6,162,322
<b>Ontario unconditional grants</b>					
Per household general	19				
Per household police	20				
Per household density	21				
Transitional and special assistance	22				
Resource equalization	23	5,243,522			5,243,522
General support	24	6,651,570			6,651,570
Northern special support	25				
Apportionment guarantee	26				
Revenue guarantee	27				
Subtotal	28	11,895,092			11,895,092
<b>Revenues for specific functions</b>					
Ontario specific grants	29	4,838,217			4,838,217
Canada specific grants	30	37,588			37,588
Other municipalities—grants and fees	31	255,990			255,990
Fees, service charges and donations	32	17,221,085			17,221,085
Subtotal	33	22,352,880			22,352,880
<b>Other revenue</b>					
Trailer revenue and licences	34				
Licences and permits	35	4,283,464			4,283,464
Fines	37	1,970,521			1,970,521
Penalties and interest on taxes	38	2,765,455			2,765,455
Investment income—from own funds	39	3,693,215			3,693,215
—other	40				
Sale of publications, equipment, etc.	42	154,977			154,977
Contributions from capital fund	43	2,500			2,500
Contributions from reserves and reserve funds	44	928,411			928,411
Contributions from non consolidated entities	45	240,400			240,400
Vehicle Insurance Program	46	347,729			347,729
	47				
Miscellaneous	48	209,592			209,592
Sale of land	49				
Subtotal	50	14,596,264			14,596,264
<b>Total revenue</b>	51	381,308,060	82,928,438	149,194,274	149,185,348







*for the year ended December 31, 1988*

CITY OF HAMILTON

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				SUPPLEMENTARY TAXES			TOTAL TAXES
for comp use of				residential and farm	commercial and industrial	business	total columns 6 to 11
				9 \$	10 \$	11 \$	12 \$
<b>I. Own purposes</b>							
(a) Levied by mill rate							
General	0	1	0	1,877,739		1,380,013	91,518,958
police villages at reduced rates	0	1	0				
farms at reduced rates	0	1	0				
	0	1					
	0	1					
Special area rates and police villages							
	0	1					
	0	1					
	0	1					
	0	1					
	0	1					
	0	1					
				1,877,739		1,380,013	91,518,958
(b) Other charges on tax bills							1,764,337
							433,639
						18,299	461,857
						18,299	2,659,833
<b>II. Upper tier purposes</b>				1,877,739		1,398,312	94,178,791
(a) Levied by mill rate							
General	0	2	0	1,568,802		1,152,965	76,461,929
Special purposes							
	0	2					
	0	2					
	0	2					
	0	2					
(b) Other charges on tax bills				1,568,802		1,152,965	76,461,929
							1,456,741
							1,456,741
<b>III. School board purposes</b>				1,568,802		1,152,965	77,918,670
Elementary public							
The Board of Education for	0	3	0	1,441,978		1,059,758	70,275,851
The City of Hamilton	0	3	0				1,463,353
Elementary separate				1,441,978		1,059,758	71,739,204
Hamilton-Wentworth Roman	0	4	0	290,324		213,369	14,154,781
Catholic Separate School Board	0	4	0				
Secondary public				290,324		213,369	14,154,781
The Board of Education for	0	5	0	1,018,746		748,711	49,649,413
The City of Hamilton	0	5	0				1,075,832
Secondary separate				1,018,746		748,711	50,725,245
Hamilton-Wentworth Roman	0	7	0	205,111		150,743	10,000,260
Catholic Separate School Board	0	7	0				
				205,111		150,743	10,000,260
				2,956,159		2,172,581	146,619,490







LOCAL TAXABLE ASSESSMENT						MILL RATES		TAXES LEVIED			SUPPLEMENTARY TAXES			TOTAL TAXES					
	for computer use only	residential and farm	commercial and industrial	business		residential and farm	commercial industrial and business	residential and farm	commercial and industrial	business	residential and farm	commercial and industrial	business	total columns 6 to 11					
		1	2	3		4	5	6	7	8	9	10	11	12					
		\$	\$	\$				\$	\$	\$	\$	\$	\$	\$					
I. Own purposes																			
(a) Levied by mill rate																			
General	0	1	0	1	0	530,522,707	276,142,553	127,798,657	87.7568	103.2433	46,556,981	28,509,872	13,194,353	1,877,739		1,380,013	91,518,958		
police villages at reduced rates	0	1	0	2															
farms at reduced rates	0	1	0	3															
	0	1																	
	0	1																	
Special area rates and police villages																			
	0	1																	
	0	1																	
	0	1																	
	0	1																	
	0	1																	
	0	1																	
						Subtotal levied by mill rate		1	46,556,981	28,509,872	13,194,353	1,877,739			1,380,013	91,518,958			
(b) Other charges on tax bills						Share of telephone and telegraph taxation		0	1	2	1	0	2				1,764,337		
						Local improvements		0	1	2	2	0				433,639	433,639		
						Sewer and water service charges		0	1	2	3	0							
						Sewer and water connection charges		0	1	2	4	0							
						Fire service charges		0	1	2	5	0							
						Minimum tax (differential only)		0	1	2	6	0							
						Municipal drainage charges		0	1	2	7	0							
						Garbage collection charges		0	1	2	8	0							
						Business improvement area		0	1	2	9	0			443,558	18,299	461,857		
								0	1	3	0	0							
						Subtotal special charges on tax bills		3	433,639	1,764,337	443,558				18,299	2,659,833			
II. Upper tier purposes						Total own purposes taxation		0	1	3	2	0	4	46,990,620	30,274,209	13,637,911	1,877,739	1,398,312	94,178,791
(a) Levied by mill rate																			
General	0	2	0	1	0	530,522,707	276,142,553	127,798,657	73.3187	86.2574	38,897,237	23,819,341	11,023,584	1,568,802		1,152,965	76,461,929		
Special purposes																			
	0	2																	
	0	2																	
	0	2																	
	0	2																	
						Subtotal levied by mill rate		5	38,897,237	23,819,341	11,023,584	1,568,802			1,152,965	76,461,929			
(b) Other charges on tax bills						Share of telephone and telegraph taxation		0	2	2	1	0	6				1,456,741		
						Local improvements		0	2	2	2	0							
						Sewer and water service charges		0	2	2	3	0							
						Sewer and water connection charges		0	2	2	4	0							
						Fire service charges		0	2	2	5	0							
								0	2	3	0	0							
						Subtotal special charges on tax bills		7		1,456,741							1,456,741		
III. School board purposes						Total upper tier taxation		0	2	3	2	0	8	38,897,237	25,276,082	11,023,584	1,568,802	1,152,965	77,918,670
Elementary public																			
The Board of Education for	0	3	0	1		390,637,086	258,540,547	120,980,298	80.9599	95.2469	31,625,935	24,625,189	11,522,991	1,441,978		1,059,758	70,275,851		
The City of Hamilton	0	3	0	1															
						Share of telephone and telegraph taxation		0	3	2	1	0	9				1,463,353		
						Subtotal elementary public		10	31,625,935	26,088,542	11,522,991	1,441,978			1,059,758	71,739,204			
Elementary separate																			
Hamilton-Wentworth Roman	0	4	0	1		139,885,621	17,602,006	6,818,359	80.9599	95.2469	11,325,120	1,676,540	649,428	290,324		213,369	14,154,781		
Catholic Separate School Board	0	4	0	1															
						Subtotal elementary separate		11	11,325,120	1,676,540	649,428	290,324			213,369	14,154,781			
Secondary public																			
The Board of Education for	0	5	0	1		390,637,086	258,540,547	120,980,298	57.1976	67.2913	22,343,501	17,397,531	8,140,924	1,018,746		748,711	49,649,413		
The City of Hamilton	0	5	0	1															
						Share of telephone and telegraph taxation		0	5	2	1	0	12				1,075,832		
						Subtotal secondary public		16	22,343,501	18,473,363	8,140,924	1,018,746			748,711	50,725,245			
Secondary separate																			
Hamilton-Wentworth Roman	0	7	0	1		139,885,621	17,602,006	6,818,359	57.1976	67.2913	8,001,125	1,184,461	458,820	205,111		150,743	10,000,260		
Catholic Separate School Board	0	7	0	1															
						Subtotal secondary separate		17	8,001,125	1,184,461	458,820	205,111			150,743	10,000,260			
						Total all school board taxation		0	8	3	2	0	14	73,295,681	47,422,906	20,772,163	2,956,159	2,172,581	146,619,490







ANALYSIS OF CURRENT REVENUE  
FOR SPECIFIC FUNCTIONS

for the year ended December 31, 1988

Municipality

THE CITY OF HAMILTON

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		Ontario specific grants	Canada grants	other municipalities— grants, fees, and service charges	fees, service charges and donations
		1 \$	2 \$	3 \$	4 \$
<b>General government</b>	1	8,073		176,728	3,543,872
<b>Protection to persons and property</b>					
Fire	2	2,456			232,035
Police	3				
Conservation authority	4				
Protective inspection and control	5				4,195
	6				
Subtotal	7	2,456			236,230
<b>Transportation services</b>					
Roadways	8	2,856,461		57,559	914,597
Winter control	9	384,660		10,533	
Transit	10				
Parking	11				2,939,824
Street lighting	12				
Air transportation	13				
	14				
Subtotal	15	3,241,121		68,092	3,854,421
<b>Environmental services</b>					
Sanitary sewer system	16				
Storm sewer system	17				
Waterworks system	18				2,115
Garbage collection	19				
Garbage disposal	20				
Pollution control	21				
	22				
Subtotal	23				2,115
<b>Health services</b>					
Public health services	24				
Public health inspections and control	25				
Hospitals	26				
Ambulance services	27				
Cemeteries	28				772,326
	29				
Subtotal	30				772,326
<b>Social and family services</b>					
General assistance	31				
Assistance to aged persons	32	78,596			
Assistance to children	33				
Day nurseries	34				
	35				
Subtotal	36	78,596			
<b>Recreation and cultural services</b>					
Parks and recreation	37	437,600			4,934,005
Libraries	38	839,756		11,170	457,493
Other cultural	39	141,401			1,545,867
Subtotal	40	1,418,757		11,170	6,937,365
<b>Planning and development</b>					
Planning and zoning	41				534,996
Commercial and industrial	42	48,490			1,219,640
Residential development	43	40,724	37,588		37,862
Agriculture and reforestation	44				82,258
Tile drainage/shoreline assistance	45				
	46				
Subtotal	47	89,214	37,588		1,874,756
Electricity	48				
Gas	49				
Telephone	50				
Total	51	4,838,217	37,588	255,990	17,221,085







ANALYSIS OF REVENUE FUND  
EXPENDITURES

for the year ended December 31, 1988

		salaries, wages and employee benefits	net long term debt charges	materials, services, rents and financial expenses	transfers to own funds	other transfers	inter- functional transfers	total expenditure	
		1	2	3	4	5	6	7	
		\$	\$	\$	\$	\$	\$	\$	
General government	1	10,715,379	296,176	9,116,003	7,850,209	21,885		27,999,652	1
Protection to persons and property									
Fire	2	22,727,870	359,763	2,302,318	242,672	5,144		25,637,767	2
Police	3					500		500	3
Conservation authority	4		25,843		40,000			65,843	4
Protective inspection and control	5	3,274,616		1,000,256	70			4,274,942	5
	6								6
Subtotal	7	26,002,486	385,606	3,302,574	282,742	5,644		29,979,052	7
Transportation services									
Roadways	8	7,702,324	816,563	2,168,771	6,443,138	23,000		17,153,796	8
Winter control	9	1,180,034		891,481	25,258			2,096,773	9
Transit	10								10
Parking	11	825,091	829,621	901,027	832,262	7,953		3,395,954	11
Street lighting	12	72,224		2,588,788				2,661,012	12
Air transportation	13								13
	14								14
Subtotal	15	9,779,673	1,646,184	6,550,067	7,300,658	30,953		25,307,535	15
Environmental services									
Sanitary sewer system	16	24,394	60,822	10,536				95,752	16
Storm sewer system	17								17
Waterworks system	18			38,400				38,400	18
Garbage collection	19	3,530,861		1,648,477				5,179,338	19
Garbage disposal	20			90,869		900		91,769	20
Pollution control	21								21
	22								22
Subtotal	23	3,555,255	60,822	1,788,282		900		5,405,259	23
Health services									
Public health services	24								24
Public health inspections and control	25								25
Hospitals	26		17,600					17,600	26
Ambulance services	27								27
Cemeteries	28	1,868,033	38,836	461,085	29,374			2,397,328	28
	29								29
Subtotal	30	1,868,033	56,436	461,085	29,374			2,414,928	30
Social and family services									
General assistance	31			437,814				437,814	31
Assistance to aged persons	32	144,420	29,485	3,483,094		826,243		4,483,242	32
Assistance to children	33					232,556		232,556	33
Day nurseries	34								34
	35								35
Subtotal	36	144,420	29,485	3,920,908		1,058,799		5,153,612	36
Recreation and cultural services									
Parks and recreation	37	13,655,823	3,679,782	7,505,083	1,049,988	378,923		26,269,599	37
Libraries	38	7,397,902	1,565,194	2,849,054	1,218,224			13,030,374	38
Other cultural	39	1,900,641	747,307	1,394,202	6,360	343,292		4,391,802	39
Subtotal	40	22,954,366	5,992,283	11,748,339	2,274,572	722,215		43,691,775	40
Planning and development									
Planning and zoning	41	282,051		1,688,508	180			1,970,739	41
Commercial and industrial	42	1,656,363	2,925,086	359,765	220,034	6,781		5,168,029	42
Residential development	43	448,685	358,162	28,210	40			835,097	43
Agriculture and reforestation	44	1,014,275		504,385				1,518,660	44
Tile drainage/shoreline assistance	45								45
	46								46
Subtotal	47	3,401,374	3,283,248	2,580,868	220,254	6,781		9,492,525	47
Electricity	48								48
Gas	49								49
Telephone	50								50
Total	51	78,420,986	11,750,240	39,468,126	17,957,809	1,847,177		149,444,338	51

Municipality

THE CITY OF HAMILTON

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		8 \$
Total of column 2 includes:		
Payments to Ontario in respect of Down- town Revitalization Program loans	81	
Accrued interest (enter an amount only if the change to the accrual basis was made in this reporting year)	82	
Interest portion of transit debt charges included on line 10	83	
Total of column 3 includes:		
Ministry of the Environment		
Provincial projects service charges		
—water	52	
—sewer	53	
Provincial projects frontage and connection charges—water	57	
—sewer	58	
Joint projects operating charges		
—water	54	
—sewer	55	
O.P.P. policing contracts	56	
Short term interest costs	60	
Total of column 5 includes:		
Grants to charitable and non-profit organizations	62	1,118,852
Grants to universities and colleges	63	
Contributions to UNCONSOLIDATED joint local boards		
Health unit	64	
District welfare board	65	
Home for the aged	66	
Recreation board(s)	67	
Fire area board	68	
Suburban roads commission	69	
Senior Citizens Tax Credit	70	728,325
	71	
Line 1 of column 7 includes:		
Members of council	72	1,345,929
Line 51 of column 7 includes:		
Payments in respect of long term com- mitments and liabilities financed from revenue, as approved by the Ontario Municipal Board. Exclude debt charges reported in column 2.	73	





		1 \$
<b>Unfinanced capital outlay (Unexpended capital financing) at the beginning of the year</b>	1	5,007,685
<b>Sources of financing</b>		
<b>Contributions from own funds</b>		
Revenue fund	2	5,684,515
Reserves and reserve funds	3	5,480,939
Subtotal	4	11,165,454
<b>Long term liabilities incurred</b>		
Central Mortgage and Housing Corporation	5	
Ontario Municipal Improvement Corporation	7	
P.R.I.D.E. Program	60	
Other Ontario housing programs	10	
Ministry of the Environment	11	
Tile drainage and shoreline property assistance programs	12	
The Public		
Serial debentures	13	
Sinking fund debentures	14	24,551,000
.	15	
.	16	
.	17	
Subtotal*	18	24,551,000
<b>Grants and loan forgiveness</b>		
Ontario	20	3,493,674
Canada	21	16,449
Other municipalities	22	596,523
Subtotal	23	4,106,646
<b>Other financing</b>		
Prepaid special charges	24	108,442
Proceeds from sale of fixed assets	25	(50)
Investment income		
From own funds	26	
Other	27	
Donations	28	219,988
.	30	12,800
.	31	4,604
Subtotal	32	345,784
<b>Total sources of financing</b>	33	40,168,884
<b>Applications</b>		
<b>Own expenditures</b>		
Short term interest costs	34	
Other	35	20,837,659
Subtotal	36	20,837,659
<b>Transfers of proceeds from long term liabilities to:</b>		
Other municipalities	37	
Unconsolidated local boards	38	
Individuals	39	
Subtotal	40	
<b>Transfers to reserves, reserve funds and the revenue fund</b>	41	530,098
<b>Total applications</b>	42	21,367,757
<b>Unfinanced capital outlay (Unexpended capital financing) at the end of the year</b>	43	(13,793,442)
<b>Amount reported in line 43 analysed as follows:</b>		
Unapplied capital receipts	44	(16,319,027 )
To be recovered from:		
—taxation or user charges within term of council	45	4,087
—proceeds from long term liabilities	46	1,882,260
—transfers from reserves and reserve funds	47	538,364
—other (specify) Accounts & Grants Receivable	48	100,874
Total unfinanced capital outlay (unexpended capital financing)	49	(13,793,442)
*amount in line 18 raised on behalf of other municipalities	19	







ANALYSIS OF CAPITAL GRANTS  
AND OWN EXPENDITURES

for the year ended December 31, 1988

Municipality

THE CITY OF HAMILTON

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## CAPITAL GRANTS

TOTAL  
OWN  
EXPENDITURES

		Ontario grants	Canada grants	Other municipalities	
		1 \$	2 \$	3 \$	4 \$
<b>General government</b>	1	(5,153)	2,198	41,650	1,083,606
<b>Protection to persons and property</b>					
Fire	2				270,197
Police	3				
Conservation authority	4				
Protective inspection and control	5				562,548
	6				
<b>Subtotal</b>	7				832,745
<b>Transportation services</b>					
Roadways	8	2,725,009			8,962,875
Winter control	9				263,653
Transit	10				
Parking	11				252,236
Street lighting	12				
Air transportation	13				
	14				
<b>Subtotal</b>	15	2,725,009			9,478,764
<b>Environmental services</b>					
Sanitary sewer system	16				112,849
Storm sewer system	17				
Waterworks system	18				46,959
Garbage collection	19	142,428			651,246
Garbage disposal	20				
Pollution control	21				
	22				
<b>Subtotal</b>	23	142,428			811,054
<b>Health services</b>					
Public health services	24				2,100
Public health inspections and control	25				50
Hospitals	26				
Ambulance services	27				
Cemeteries	28				
	29				
<b>Subtotal</b>	30				2,150
<b>Social and family services</b>					
General assistance	31				
Assistance to aged persons	32				
Assistance to children	33				6,914
Day nurseries	34				
	35				
<b>Subtotal</b>	36				6,914
<b>Recreation and cultural services</b>					
Parks and recreation	37	246,058	2,389		4,034,436
Libraries	38	191,818	11,862	5,000	248,889
Other cultural	39	(21,180)			289,077
<b>Subtotal</b>	40	416,696	14,251	5,000	4,572,402
<b>Planning and development</b>					
Planning and zoning	41				
Commercial and industrial	42	26,150		549,873	3,808,526
Residential development	43	188,545			241,498
Agriculture and reforestation	44				
Tile drainage/shoreline assistance	45				
	46				
<b>Subtotal</b>	47	214,695		549,873	4,050,024
Electricity	48				
Gas	49				
Telephone	50				
<b>Total</b>	51	3,493,675	16,449	596,523	20,837,659





ANALYSIS OF LONG TERM  
LIABILITIES AND COMMITMENTS

for the year ended December 31, 1988

Municipality

THE CITY OF HAMILTON

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		1 \$
<b>1. Calculation of debt burden of the municipality</b>		
All debt issued by the municipality, predecessor municipalities and consolidated entities		
: To Ontario and agencies	1	7,404,594
: To Canada and agencies	2	6,702,041
: To other	3	13,571,342
Subtotal	4	27,677,977
Plus: All debt assumed by the municipality from others	5	67,561,206
Less: All debt assumed by others		
: Ontario	6	
: Schoolboards	7	366,377
: Other municipalities	8	26,296,339
Subtotal	9	26,662,716
Less: Ministry of the Environment debt retirement funds		
—sewer	10	
—water	11	
Own sinking funds (actual balances)		
—general municipal	12	2,899,239
—enterprises and other	13	
Subtotal	14	2,899,239
<b>Total</b>	<b>15</b>	<b>65,677,228</b>
Sinking fund debentures	16	35,651,761
Installment (serial) debentures	17	30,025,467
Long term bank loans	18	
Lease purchase agreements	19	
Mortgages	20	
Ministry of the Environment	22	
.	23	
.	24	
		\$
<b>2. Total debt payable in foreign currencies (net of sinking fund holdings)</b>		
U.S. dollars—Canadian dollar equivalent included in line 15 above	25	
—par value of this amount in U.S. dollars	26	
Other —Canadian dollar equivalent included in line 15 above	27	
—par value of this amount in _____	28	
<b>3. Interest earned on sinking funds and debt retirement funds during the year</b>		\$
Own funds	29	339,219
Ministry of the Environment—sewer	30	
—water	31	
		\$
<b>4. Actuarial balance of own sinking funds at year end</b>	32	3,253,065
<b>5. Long term commitments and contingencies at year end</b>		\$
Total liability for accumulated sick pay credits	33	10,428,283
Total liability under OMERS plans		
—initial unfunded (payable over____years) (number of employees____)	34	
—actuarial deficiency (payable over____years)	35	
Total liability for own pension funds		
—initial unfunded (payable over____years) (number of employees____)	36	
—actuarial deficiency (payable over____years)	37	
Outstanding loans guaranteed (payable over____years)	38	
Commitments and liabilities financed from revenue, as approved by the Ontario Municipal Board		
—hospital support	39	
—university support	40	
—leases and other agreements	41	
Other (specify) .	42	
.	43	
.	44	
<b>Total</b>	<b>45</b>	<b>10,428,283</b>





**10. Other notes (attach supporting schedule as required)**







		balance at beginning of year	amounts requisitioned	supplementary taxes	total expended	amount levied	telephone and telegraph taxation	share of Provincial grants	share of payments in lieu of taxes	other	total raised	balance at end of year
UPPER TIER		1	2	3	4	5	6	8	9	10	12	11
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Included in general mill rate for upper tier purposes												
General requisition	1		66,400,259	2,721,768	69,122,027							
Special purpose requisitions												
Water rate	2											
Transit rate	3		9,591,743		9,591,743							
Sewer rate	4											
Library rate	5											
Road rate	6											
.	7		4,155,730		4,155,730							
.	8											
.	9											
.	10											
Sub total levied by mill rate—general	11	(68,109)	80,147,732	2,721,768	82,869,500	76,461,929	1,456,741		5,009,769		82,928,439	(9,170)
Special purpose requisitions												
Water	12											
Transit	13											
Sewer	14											
Library	15											
.	16											
.	17											
Sub total levied by mill rate—special areas	18											
Special charges	19											
Direct water billings	20											
Sewer surcharge on direct water billings	21											
Total region or county	22	(68,109)	80,147,732	2,721,768	82,869,500	76,461,929	1,456,741		5,009,769		82,928,439	(9,170)
SCHOOL BOARDS		balance at beginning of year	amounts requisitioned	supplementary taxes	pupils' fees, share of trailer licences	total expended	amount levied	telephone and telegraph taxation	share of payments in lieu of taxes	pupils' fees, share of trailer licences	total raised	balance at end of year
		1	2	3	4	5	6	7	8	9	10	11
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Elementary public Board of Education for the City of Hamilton	30	(111,797)	70,428,985	2,501,735		72,930,720	70,275,851	1,463,353	1,255,950		72,995,154	(47,363)
.	31											
Elementary separate Hamilton-Wentworth Roman Catholic Separate School Board	40	(8,537)	13,899,158	503,693		14,402,851	14,154,781		252,865		14,407,646	(3,742)
.	41											
.	42											
Secondary public Board of Education for the City of Hamilton	50	(82,223)	49,796,348	1,767,457		51,563,805	49,649,413	1,075,832	887,321		51,612,566	(33,462)
.	51											
Secondary separate Hamilton-Wentworth Roman Catholic Separate School Board	70	(6,285)	9,819,414	355,853		10,175,267	10,000,260		178,648		10,178,908	(2,644)
.	71											
.	72											
Total school boards	36	(208,842)	143,943,905	5,128,738		149,072,643	144,080,305	2,539,185	2,574,784		149,194,274	(87,211)





for the year ended December 31, 1988

		\$
<b>Balance at beginning of year</b>	1	63,283,545
<b>Revenues</b>		
Contributions from revenue fund	2	12,273,294
Contributions from capital fund	3	527,597
Lot levies and subdivider contributions	60	838,400
Recreational land (the Planning Act)	61	1,715,760
Investment income—from own funds	5	6,758,343
—other	6	6,884
. Province of Ontario - Grants	9	39,914
. Proceeds from Sale of Land, Equipment	10	2,319,513
. Proceeds from Fees, Service Charges, etc.	11	385,668
. Other	12	892,097
<b>Total revenue</b>	13	25,757,470
<b>Expenditures</b>		
Transferred to capital fund	14	5,480,939
Transferred to revenue fund	15	928,411
Charges for long term liabilities—principal and interest	16	49,443
. Acquisition of Properties and Related Costs	63	1,407,293
. Purchase and Maintenance of Equipment and Vehicles	20	2,883,118
. Other	21	3,874,578
<b>Total expenditure</b>	22	14,623,782
<b>Balance at end of year for:</b>		
Reserves	23	46,116,413
Reserve Funds	24	28,300,820
<b>Total</b>	25	74,417,233
analysed as follows:		
Working funds	26	11,623,003
Contingencies	27	4,333,960
Ministry of the Environment fund for renewals, etc.		
—sewer	28	
—water	29	
Replacement of equipment	30	6,614,278
Sick leave	31	2,788,063
Insurance	32	2,751,035
Workmen's compensation	33	493,345
Capital expenditure—general administration	34	
—roads	35	
—sanitary and storm sewers	36	
—parks and recreation	64	485,894
—library	65	932,093
—other cultural	66	358,804
—water	38	
—transit	39	
—housing	40	223,509
—industrial development	41	126,299
—other and unspecified	42	
Lot levies and subdivider contributions	44	10,527,355
Recreational land (the Planning Act)	46	5,024,425
Parking revenues	45	6,006,400
Debenture repayment	47	5,414,893
Exchange rate stabilization	48	
Waterworks current purposes	49	
Transit current purposes	50	
Library current purposes	51	276,946
. Repairs	52	1,175,664
. Property Purchases	53	3,985,751
. General Administration and Employee Benefits	54	5,337,206
. Emergency Snow Removal	55	1,244,709
. Various Loan Programs	56	1,471,000
. Hamilton Entertainment Convention Facilities Inc.	57	3,222,601
<b>Total</b>	58	74,417,233





ANALYSIS OF  
CONSOLIDATED YEAR END  
BALANCES

as at December 31, 1988

THE CITY OF HAMILTON

11

16

		1	2
		\$	\$
<b>ASSETS</b>			
<b>Current assets</b>			portion of cash not in chartered banks
Cash		46,583,954	
Accounts receivable	1		
Canada		112,721	
Ontario	2		
Region or county	3	2,460,462	
Other municipalities	4	2,799,794	
School boards	5	59,448	
Waterworks	6	4,880	
Other (including unorganized areas)	7		portion of taxes receivable for business taxes
Taxes receivable	8	2,749,641	
Current year's levies			
Previous year's levies	9	15,117,327	802,035
Prior years' levies	10	1,274,811	472,776
Penalties and interest	11		
Less allowance for uncollectables	12		
Investments (market value \$)	13	( )	( )
Canada		300,000	
Provincial	14	1,700,000	
Municipal	15	12,406,272	
Other	16	8,583,487	
Other current assets	17	2,830,998	portion of line 20 for tax sale/tax registration
Capital outlay to be recovered in future years	18	65,677,228	
Other long term assets	19	3,689,203	
	20		
<b>Total</b>	21	166,350,226	
<b>LIABILITIES</b>			
<b>Current liabilities</b>			portion of loans not from chartered banks
Temporary loans—current purposes	22		
—capital—Ontario	23		
—Canada	24		
—Other	25		
Accounts payable and accrued liabilities			
Canada	26	31,288	
Ontario	27	454,943	
Region or county	28	1,874,367	
Other municipalities	29		
School boards	30	37,362	
Trade accounts payable	31	5,493,919	
Other	32	4,873,208	
Other current liabilities	33	140,800	
<b>Net long term liabilities</b>			
Recoverable from the Consolidated Revenue Fund			
—general tax rates	34	56,580,956	
—special area rates and special charges	35		
—benefitting landowners	36	1,580,272	
—user rates (consolidated entities)	37	7,490,000	
Recoverable from Reserve Funds	38	26,000	
Recoverable from unconsolidated entities	39		
Less: Own holdings	40	( 2,470,000 )	
Reserves and reserve funds	41	74,417,233	
<b>Accumulated net revenue (deficit)</b>			
General revenue	42	1,212,887	
Special charges and special areas (specify)			
Local Improvements Pre-Levy	43	796,546	
.	44		
.	45		
.	46		
Consolidated local boards (specify)			
Transit operations	47		
Water operations	48		
Libraries	49		
Cemeteries	50		
Recreation, community centres and arenas	51		
Business Improvement Areas	52	113,384	
.	53		
.	54		
.	55		
Region or county	56	(9,170)	
School boards	57	(87,211)	
Unexpended capital financing/(unfinanced capital outlay)	58	13,793,442	
<b>Total</b>	59	166,350,226	







for the year ended December 31, 1988

THE CITY OF HAMILTON

12A

<b>1. Number of continuous full time employees as at December 31</b>			
Administration	1		164
Non-line Departmental Support Staff	2		491
Fire	3		468
Police	4		
Transit	5		
Public Works	6		533
Health Services	7		47
Homes for the Aged	8		
Other Social Services	9		
Parks and Recreation	10		155
Libraries	11		233
Planning	12		
<b>Total</b>	<b>13</b>		<b>2,091</b>
		continuous full time employees December 31	Other
<b>2. Total expenditures during the year on:</b>		<b>1</b>	<b>2</b>
		\$	\$
Wages and salaries	14	66,763,090	7,052,523
Employee benefits	15	10,734,622	373,078
<b>3. Reductions of tax roll during the year (lower tier municipalities only)</b>			<b>1</b>
			\$
Cash collections: Current year's tax	16		308,654,805
Previous years' tax	17		9,514,031
Penalties and interest	18		2,923,537
<b>Subtotal</b>	<b>19</b>		<b>321,092,373</b>
Discounts allowed	20		346,709
Tax adjustments under section 362 and 363 of the Municipal Act			
—amounts added to the roll	22		( )
—amounts written off	23		
Tax adjustments under sections 465, 495 and 496 of the Municipal Act			
—recoverable from upper tier and school boards	24		2,352,745
—recoverable from general municipal revenues	25		989,162
Transfers to tax sale and tax registration accounts	26		
The Municipal Elderly Residents' Assistance Act—reductions	27		708,894
—refunds	28		19,431
Other (specify)	80		
<b>Total reductions</b>	<b>29</b>		<b>325,509,314</b>
Amounts added to the tax roll for collection purposes only	30		
Business taxes written off under subsection 495 (1) of the Municipal Act	81		188,689
<b>4. Tax due dates for 1988 (lower tier municipalities only)</b>			<b>1</b>
Interim billings: Number of installments	31		<b>2</b>
Due date of first installment (MMDDYY)	32		February 29
Due date of last installment (MMDDYY)	33		March 31
Final billings: Number of installments	34		<b>2</b>
Due date of first installment (MMDDYY)	35		June 30
Due date of last installment (MMDDYY)	36		September 29
Supplementary taxes levied with 1989 due date	37		\$
<b>5. Projected capital expenditures and long term financing requirements as at December 31</b>		long term financing requirements	
	gross expenditure	approved by the O.M.B.	submitted but not yet approved by the O.M.B.
			forecast not yet submitted to the O.M.B.
	<b>1</b>	<b>2</b>	<b>3</b>
	\$	\$	\$
Estimated to take place			
In 1989	58	19,917,000	19,193,500
In 1990	59	27,340,000	
In 1991	60	24,870,000	
In 1992	61	21,021,000	
In 1993	62	26,531,000	
<b>Total</b>	<b>63</b>	<b>119,679,000</b>	<b>19,193,500</b>
		balance in fund	loans outstanding
<b>6. Ontario Home Renewal Plan trust fund at year end</b>		<b>1</b>	<b>2</b>
		\$	\$
		3,268,380	651,134





## 7. Analysis of direct water and sewer billings as at December 31

		water		
	number of residential units	1988 billings		
		residential units	all other properties	
	1	2	3	4
In this municipality	39	\$	\$	
In other municipalities (specify municipality)				
.	40			
.	41			
.	42			
.	43			
.	64			

		sewer		
	number of residential units	1988 billings		
		residential units	all other properties	
	1	2	3	
In this municipality	44	\$	\$	
In other municipalities (specify municipality)				
.	45			
.	46			
.	47			
.	48			
.	65			

		water	sewer
		1	2
Number of residential units in this municipality receiving municipal water and sewer services but which are not on direct billing	66		

## 8. Selected investments of own sinking funds as at December 31

	own municipality	other municipalities, school boards	Province	Federal
	1	2	3	4
	\$	\$	\$	\$
Own sinking funds	83			

## 9. Borrowing from own reserve funds

		1
		\$
Loans or advances due to reserve funds as at December 31	84	

## 10. Joint boards consolidated by this municipality

name of joint boards	total board expenditure	contribution from this municipality	this municipality's share of total municipal contributions	for computer use only
	1	2	3	4
	\$	\$	%	
.	53			
.	54			
.	55			
.	56			
.	57			

## 11. Applications to the Ontario Municipal Board

		tile drainage, shoreline assistance, downtown revitalization, electricity, gas, telephone	other	total
		1	2	3
		\$	\$	\$
Approved but not financed as at Dec. 31, 1987	67		43,358,155	43,358,155
Approved in 1988	68		4,876,830	4,876,830
Financed in 1988	69		24,551,000	24,551,000
No long term financing necessary	70		4,490,485	4,490,485
Balance approved but not financed as at Dec. 31, 1988	71		19,193,500	19,193,500
Applications submitted but not approved as at December 31, 1988	72			

## 12. Forecast of total revenue fund expenditures

		1989	1990	1991	1992	1993
		1	2	3	4	5
		\$	\$	\$	\$	\$
73		149,000,000	158,685,000	168,990,000	179,984,000	191,683,000



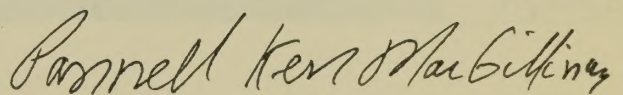


To the Ministry of Municipal Affairs

We have examined grant information schedule 13 of the Financial Information Return of the Corporation of the City of Hamilton for the year ended December 31, 1988. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, this schedule presents fairly the grant information shown therein in accordance with instructions issued by the Ministry of Municipal Affairs for the year 1988.

Hamilton, Canada  
April 21, 1989



PANNELL KERR MACGILLIVRAY  
Chartered Accountants





ANALYSIS OF REVENUE FUND REVENUES

1

Note: Upper tiers use column 4 only.

upper tier purposes 2 \$	own purposes 4 \$
--------------------------------------	----------------------------

<b>Taxation</b>
Direct water billings on ratepayers - own municipality
Sewer surcharge on direct water billings - own municipality
<b>Payments in lieu of taxes</b>
Subtotal

2		
4		
18	5,009,769	6,162,321

ANALYSIS OF TAXATION

2LT

LOCAL TAXABLE ASSESSMENT

	residential and farm 1 \$	commercial and industrial 2 \$	business 3 \$
--	------------------------------------	-----------------------------------------	---------------------

General	30	530,522,707	276,142,553	127,798,657
police villages at reduced rates	31			
farms at reduced rates	32			

TAXES LEVIED

commercial and industrial 7 \$	business 8 \$	total 12 \$
-----------------------------------------	---------------------	-------------------

Subtotal levied by mill rate	1	28,509,872	13,194,353	
Share of telephone and telegraph taxation	2			1,764,337
<b>Total own purposes taxation</b>	4			94,178,791

II. Upper tier purposes

Subtotal levied by mill rate	5	23,819,341	11,023,584	
share of telephone and telegraph taxation	6			1,456,741
<b>Total upper tier taxation</b>	8			77,918,670

ANALYSIS OF CAPITAL OPERATIONS

5

<b>Other financing</b>			1 \$
Prepaid special charges	24		108,442









HAMILTON PUBLIC LIBRARY



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